

AUGUST, 1957

Manage

**AUTOMATION**  
its impact on  
**MANAGEMENT**

2 dollars / year

*the progress of democracy seems  
irresistible, because it is the most  
uniform, the most ancient, and  
the most permanent tendency  
which is to be found in history.*

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# MANAGE



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## IN THIS ISSUE

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Your community can profit greatly from new industry—but only if your community has made adequate preparation for the resultant expansion in the area. Stanley Englehardt, an experienced free-lance writer, gives both sides of the problem, and cites case histories of communities that have prospered—and some that have failed to maintain their living standards—because of new industry . . . A subject of concern to management personnel is the effect of automation on their jobs. What effect will machines have? Will they replace supervision? Carroll W. Boyce, Associate Editor of *FACTORY MANAGEMENT* and *MAINTENANCE*, discusses the question, page 24 . . . "Business Notebook" provides an interesting view of everything from instant memory to instant coffee . . . How well protected are supervisors' seniority rights? See "Washington Report."

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CIRCULATION THIS ISSUE: OVER 76,000, DOMESTIC AND FOREIGN.



# EDITORIAL Memo

....FROM THE EDITOR

Most of management seems to agree that a shorter work week is possible, but it is doubtful if many workers will want to pay the price.

Debate of the issue keeps coming back to the fact that nobody—not even an American living in this remarkable land of industrial miracles—can work *fewer* hours and take home *more* purchasing power. He cannot even take home the *same* pay he was getting for 40-plus hours.

The most significant factor in discussions of shorter work weeks is that the permanency of any job depends on the company's manufacture of a product that will be bought. It cannot continue to produce what it cannot sell, for, unlike the Federal government, a business enterprise has no limitless reservoir from which to extract funds for operating expenses. A worker must earn what he is paid or the employer will go broke and the worker's work week will cease to exist.

Such problems as shortages of skilled workers and increased marginal costs would plague many companies should they increase employee numbers by decreasing employee work weeks. Labor forces would have to be shifted from durable goods industries to non-durable goods industries, since undoubtedly the demand for non-durable goods would increase from employees having more leisure time.

Certainly there is no doubt that the shorter work week—say, four six-hour shifts a day instead of three eight-hour shifts—would be a solution to mass unemployment, should the country reach a point where lots of people want jobs and cannot find them.

Neither is there any doubt that working fewer hours a day would leave a worker more leisure time to pursue hobbies—or whatever he wants to pursue.

But how much can he afford to do with more time to spend more money and with less money coming in?

There have been interesting experiments in 30-hour work weeks in segments of industry, particularly in the rubber and food industries. Generally, the production efficiency of employees did not increase.

An interesting problem arose, however, when many employees began to tire of so much leisure time. Instead of starting a movement for a return to the longer work week, they took extra jobs to supplement their incomes and to occupy their skills. The union representing these workers saw what was happening and made a concerted but futile effort to go back to the 40-hour week but the workers would not give up their extra income from working 50 and 60 hours a week on two jobs. It can be safely assumed that workers holding two jobs would have divided loyalties between employers and that undoubtedly their production efficiency was diminished.

Like so many goals proposed for employees by their union representatives, the shorter work week appears to be another item to excite the loyalty of the membership. It hardly seems to be a sincere proposal made to meet the needs of either the workers or industry. Usually that tired old whipping-boy "Automation" is alleged to be the spook causing the need for a shorter work week, but facts disprove this.

The 40-hour work week seems to meet the minimum biological and psychological needs of today's people, and psychiatrists might agree that ours would be a healthier society if more of our numbers had less time to play.

*Neal Sims*



# Washington Report....

## ....for supervisors

by Stewart French

The Congress, Supreme Court, and "top brass" in the Administration have been making the headlines, and supervisors, along with all other Americans, are of course interested and concerned. But developments that aren't even reported generally have been taking place "down the line" and are of great day-to-day on-the-job significance to management's front-line men.

One such is the hassle within the National Labor Relations Board over whether violence and threats of violence against supervisors during a strike constitute coercion of employees, and thus make a "Federal Case" of it. Two attorneys representing the "general counsel" of the board, have filed a 70-page brief attacking findings by a "trial examiner" for the board, one of which was that violence and threats against supervisors did not coerce employees of the Ohio Consolidated Telephone Company during the 228-day strike at Portsmouth, O.

The company had brought charges of violence and coercion against the Communication Workers of America. The trial examiner, in his "intermediate report" filed last April, not only dismissed these charges, but leveled indictments of his own against the company, asserting that it had displayed contempt for the rights of its employees under the Taft-Hartley Act by conspiring with hired "investi-

gators" (on whom it bestowed the title of supervisors) to do violence to strike leaders, and by engaging in actual physical violence against its employees.

In their recently-filed brief in opposition to the intermediate report, the general counsel's attorneys charge that the trial examiner had an "anti-employer approach," and assert that throughout his report he "distorted evidence and ignored evidence." The union has submitted a brief with the board in support of the report, and the telephone company a brief in opposition.

With respect to the coercive effect on strikers of physical violence against supervisors, the trial examiner had before him the lumber workers' case upon which this column reported last month. However, he found the facts to be so different that the rule of that case was not applicable.

#### SUPERVISORS SENIORITY RIGHTS PROTECTED

Two recent arbitration cases have held that supervisors retain seniority status in the bargaining units out of which they were promoted. Interestingly, in one case the union opposed the supervisor's bid for a job; in another it supported it.

The first instance was that of a man who had been promoted in 1953 to supervisor in the precious metals department of a plant. This year he bid for a vacancy as first class benchman in the same department. Six other men, all employees in the bargaining unit, also were bidders. The supervisor was chosen on the ground he had the most seniority and the skill and ability.

The union filed a grievance, contending that since the supervisor was not a member of the bargaining unit, he was not eligible to bid. The contract was written for rank and file workers, not supervisors, the union argued, and the only way a supervisor could properly bid was to be demoted to the bottom job. The company claimed that the contract specifically provided that when an employee

was permanently transferred to a job outside the bargaining unit, his seniority remains fixed as of the date of transfer plus one additional year.

The arbiter, in denying the union's grievance, held it was not reasonable to believe that the union and the company, when they wrote the contract, intended—

to restrict the beneficial exercise of the seniority protection . . . by requiring the supervisor to be demoted first to the lowest job in the department where, as here, what is in issue is a vacancy and not a bump.

In the other case an arbiter held that a company had improperly terminated two supervisors for economy reasons without giving them an opportunity to go back to jobs within the bargaining unit. Each had accumulated about 15 years' seniority before being promoted out of the unit.

#### SAFETY FOR U. S. WORKERS

Safety on the job is a matter of great concern to employers and employees everywhere. And the nation's largest single employer, the Government of the United States, is no exception. The government has some two and one-half million employees, of whom 800,000, or so are "blue collar" workers, and its safety record is not as good as that of private industry.

The Committee on Government Operations has favorably reported proposed legislation that would replace the presently scattered safety activities of the government under a special Federal Safety Division in the Department of Labor with authority for mandatory safety educational programs and establishment of minimum safe working standards for all Federal agencies. The bill also provides for an "advisory committee" to be composed of qualified representatives of the employing Federal agencies and of national and international Federal government employee unions. Appointments shall be made by the Secretary of Labor on a geographical basis, and no

fewer than nine of the 27 members shall be from employee organizations.

The Committee's report, submitted by Sen. Hubert Humphrey of Minnesota, stated—

Between 1944 and 1954, the accident frequency rate of the Federal Government was reduced 30 per cent, as compared with a reduction of 50.1 per cent in private industry for the same period. Between 1950 and 1954, the Federal Government accident frequency rate was reduced 10.5 per cent, as compared with a reduction in private industry of 22.4 per cent.

In pointing up the need for a government safety program with teeth in it, the Committee reported that during calendar year 1955, 87,119 Federal civilian employees were injured, of whom 38,840 were disabled for work; medical and leave expenses amounted to \$9,908,834; disability totaled \$9,492,583; and Federal accidents took the lives of 158 workers at a cost in compensation of \$6,902,979. The total direct cost of Federal employee accidents during calendar year 1955, exclusive of material or equipment damage and other hidden expenses, amounted to \$26,304,396, which is equivalent to \$10.98 per employee covered. This total includes \$5,250,773 for medical services and \$16,395,562 for disability and death compensation. During the same period, production time lost amounted to 2,750,065 chargeable days.

In line with the Senate Committee's findings for previous years is the report of the Bureau of Labor Statistics for the first three months of this year. According to this government agency, best safety records for the first quarter were turned in by the synthetic fibre, explosives, and aircraft industries. Disabling injuries were 2.3, 2.4, and 2.5 per 1 million man-hours, respectively, in plants of those enterprises.

Over-all, the disabling injury rate among factory workers during the period was 11.1 per million man-hours, the lowest on record, the BLS says.

## SAFETY IN THE AIR

Legislation designed to help make riding in airplanes as safe as working in airplane factories is on its way to becoming law. The proposed statute is based on the findings of General Edward P. Curtis as Special Assistant to the President for Aviation Facilities Planning, concerning which this column reported recently. The bill, as amended after hearings by the Senate Interstate and Foreign Commerce Committee, is designed to make the nation's airways ready for the jet age of commercial transport by creating an Airways Modernization Board to "develop, modify, test, and evaluate systems, procedures, facilities, and devices, as well as performance characteristics thereof, to meet the needs for safe and efficient navigation and traffic control of all civil and military aviation."

As of this writing, the measure has flown through the Senate, but has run into a head wind in the House because of the hassle over the gas bill and also because some non-modern Republicans think another Board or Commission in Washington isn't going to solve a problem in three years that should be solved today.

In addition to being a leader in safety, the aircraft industry was way out ahead in pacing the job growth in the Pacific Coast region last year, the Labor Department reports. Non-farm employment in the region increased by 35 per cent from 1949 through 1956, a rate of growth nearly double that of the United States as a whole.

The aircraft and parts industry added some 200,000 new jobs directly to the West Coast's economy, as well as forming the base of "satellite" industries providing thousands more.

## BASEBALL NOT HOME SAFE YET

As the baseball season starts rounding the turn for the home stretch of the pennant races and the World Series, the bill sponsored by Brooklyn

Rep. Celler appears benched, for this season at least. That's the one to take away from baseball, by legislation, the immunity from the anti-trust and monopoly laws granted it by a Supreme Court decision in the 1920's.

However, it's only the first session of the 85th Congress that's ending and bills left on the calendar don't die as they do when a Congress comes to an end, necessitating reintroduction, and new hearings and fresh consideration by committees. Congressman Celler's bill has been through most of that mill, and with his powerful post as chairman of the Judiciary Committee, he quite possibly could get action, and favorable action, next year.

Reportedly, one of the developments that might well have an effect is what the Brooklyn Dodgers and New York Giants, two of New York's three professional baseball clubs, decide to do about moving West—to Los Angeles and San Francisco, respectively. The National League has given its permission, and the decision must come by October.

At their present home fields, neither team has been doing too well in the way of attendance. Both complain of antiquated and ill-placed stadiums, lack of car-parking facilities, and the competition of the races.

The Western cities beckon with new, bigger and better ball parks, a rumored \$2 million a year for 10 years for each team's exclusive appearance on closed circuit television, and other come-ons.

It's such big-time money talk that might give some push to Celler's bill to declare professional baseball a business, such as the Supreme Court already has found pro football and championship boxing to be.

With the present "trust-bustin'" mood of the Supreme Court, the Administration, and the Congress, baseball's not home safe yet.

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# Will Big Industry RuIn Your Community?

by *Stanley Englehardt*

**W**HAT IMPACT will the arrival of new industry have on your town or area? What adjustments will the community find necessary?

These questions and others confront home owners these days as one large corporation after another—in an unprecedented move away from urban centers—opens new plants and office buildings in communities which were primarily residential and farm areas. And the questions deserve some serious thought because a new industry in your town can mean anything from higher taxes and lower land values, to a  $\frac{1}{8}$ -inch layer of soot in your house every day.

Probably the best way to understand what the advent of big industry can mean to your community is to look at case histories of towns currently undergoing industrialization—and towns already industrialized.

The case of Front Royal, Virginia,

is particularly vivid. In 1937—the year a large manufacturing concern announced it would build a plant on the edge of town—Front Royal was a rural community with a population of 2425 persons, about 80 per cent of available farm land under tillage and a small amount of light industry operating within the town.

In less than five years the picture changed completely: the plant was in the process of its third expansion and 5000 construction and factory workers jammed the town. Temporary housing developments were an eyesore next to established residential neighborhoods; gaudy entertainment belts filled road frontage; trailer cities cluttered vacant lots; highways were packed with automobiles.

## *New, big industry can disrupt a community if adequate preparations are not made. Here are the pro's and con's, with case studies . . .*

Despite preventive efforts of the company, the air was polluted from the stacks of the plant. Greatly increased waste disposal from both plant and town polluted the waters of the nearby Shenandoah River.

In addition to the physical changes apparent to a visitor, there were the equally serious problems of municipal management: industrialization had tripled the gross expenditures for municipal functions in Front Royal. Town officials' salaries increased, the police force was enlarged and all other services expanded comparably. Water service costs increased more than 100 per cent. The municipal debt was increased to finance water supply and sewage system expansions. The sprawling temporary housing areas required large expenditures for street paving, sidewalks and curbing. And even though the taxable property base did increase, the additional taxes collected were far from enough to meet the demands of a mushrooming community.

Poor preparedness—*lack of long range planning and the failure to properly evaluate the town's ability to absorb a sudden increase in population*—created the problem in Front Royal. It took the community years to assimilate industry.

A different type of case is Edmore, Michigan, hardly more than a whistle-stop village until a division of General Electric opened a plant employing about 300 workers. Unlike Front Royal, Edmore remained basically the same as before industrialization, with very little change in local finance, trade or housing.

In 1951, the Carboloy Department of General Electric was planning to build a new plant to fabricate standard and semi-standard cutting tools. Because automatic machinery was to be used—hence, no need for a large labor supply—the company decided to locate in a town of less than 1000 population. Before selecting Edmore, GE's engineers surveyed more than 50 communities in seven states. Edmore's winning attractions were cheap land, available labor, good transportation, electric power, and nearness to the Detroit-Flint market.

The greatest effect of industrialization on Edmore has been the stability of trade. Before the plant opened, small business failures were frequent. Today, thanks to a greater disposable income provided by the plant's payroll, there are very few failures.

Village expenditures and receipts were largely unaffected by the plant and assessed valuations in the entire county increased only about two per cent. The population increase didn't warrant more village employees, police or fire personnel. Tax rates remained stable. Modernization and enlargement of private utilities (particularly telephone service) resulted to the benefit of Edmore's citizens. Many part-time farmers were able to raise their standard of living by full or part-time employment in the plant (nearly 70 per cent of the labor force at the plant came from surrounding communities). In addition, a number of jobs in retail and service establishments were created by the presence of the company.

Edmore's painless assimilation of industry resulted from a number of factors. The new plant employed less than 300 persons. There were numerous inexpensive houses for sale in the surrounding countryside. Restrictive covenants regarding land use, minimum value of construction, floor space, and location of structure on property insured that no sub-par housing could spring up. The new school, built in 1950, had room enough to handle a reasonable influx of students.

In many communities, though, overcrowded schools present the biggest problem when industry moves into town. The average worker likely to be attracted to a community by a new plant or office building is often

young, married, between 25 and 35 years of age, with two or more children. These children, of course, need and are entitled to schoolroom space.

Plainedge, Long Island, is one community which has become mired in the enigma of overcrowded schools. Until 1947, Plainedge was a small, semi-agricultural community at the eastern edge of Nassau county. Then several small and a few large manufacturing companies built in and around the town of Plainedge; at the same time Plainedge was "discovered" by commuters as the move to the suburbs got underway. The children of these young families needed a school.

A school was there; a neat white clapboard schoolhouse which had served the area since 1878. In the first year of expansion, enrollment at the small school jumped from 35 to 269. Town officials weren't too concerned; they built a seven-room school to provide additional space. The following year, though, some 628 children were ready to attend the new school. Another addition was built. Four years later, in 1955, 2915 children jammed the lower grades of the new schools and 1500 more are expected to enroll in 1956. Similar conditions exist in the upper grades, too.

In seven years, four new schools were built by the district school board but they are hardly adequate; the youngsters have to attend split sessions or go to nearby churches

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Industrialization doesn't always result in overcrowded schools or municipal chaos, however, as can be proved by a look at Westchester county, a better-than-average residential district north of New York City. Despite heavy restrictions in the form of zoning laws and high taxes, 109 corporations have decided to build in Westchester within the past 18 months.

Huge corporations like General Foods, the Nestle Company, International Business Machines, Improved Risk Mutuals, and others, have stated their satisfaction with the move to Westchester. They cite such items as "low turnover, high employee quality, room for expansion, good transportation, suburban living" and other advantages which they feel make for better production both quantitatively and qualitatively. Many of the plants have added significant expansions since arriving in Westchester, as for example General Foods, with an expansion of its headquarters' building, a laboratory in Port Chester, and a planned-product research center in Tarrytown.

Recently, the Westchester County Trust Company completed a study on the attitude of junior- and middle-management people who made the move to Westchester with their companies. A significant 83 per cent of the men questioned said they would make the move if they had

the choice to make over again.

Individual Westchester towns are handling industrialization this way: big business is paying taxes commensurate with the expense they cause the community, thereby minimizing assessments against homeowners. If an anti-smoke law isn't already on the books, one is enacted to vigorously control smudge producing factories. New plants are restricted to areas where they will not lower land values.

In Scarsdale and Greenwich, Connecticut, just over the border from Westchester county, recently enacted protective laws prevent factories from barging into peaceful residential neighborhoods; existing zoning laws have been tightened to exclude look-alike houses on small lots. Lot sizes for private homes have been increased from 5000 square feet to 7500 and 10,000 square feet; half acre plots have been doubled to an acre; two acre plots re-zoned to four acres.

Throughout Westchester, towns have met their increasing obligations —more roads, sidewalks, curbing, water mains, sewage systems, etc.—without appreciably increasing their debt (in many cases they have become debt-free) by use of "pay-as-you-go" methods. One of these methods is the installation of parking meters and the application of the proceeds of metered parking directly to the construction of new roads,

sidewalks and curbing.

Some on the outside yell that Westchester's strict zoning laws are nothing more than snobbery. "Not snobbery," say the town fathers, "but old-fashioned sanity. Why should we stand by and watch expensive estates, well-tended homes and old-time residents squeezed out by cheap housing or noisy factories?"

Thousands of other communities will find big industry camping on their doorstep in the next few years. Before the welcome mat goes out, here are a few points to consider: as a broad summary, new industry will

create new jobs. It will also increase the disposable income in the area. On the other hand, industry will necessitate increased municipal expenditures which, initially, will have to come from reserve funds—your tax payments, in other words. Trade and commerce will increase in your town but housing may become acute.

In some cases the industry will prove a real boon to the community; in others there may be repetition of what happened to schools of Plain-edge and the town of Front Royal.

It all depends on how well you and the community are prepared for the effects of industrialization.



"The grievance committee is here, Mr. Stein."

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**O**PPORTUNITY is not dead in America.

Pessimists like to claim we are through—on the downgrade. This is nonsense. There are many ways of growing wealthy today. You can, for instance, form some sort of a corporation. It is not easy, but it can be done if you are patient.

First, you must decide on an item to be manufactured by the corporation. If there is plenty of water power in your area you might plan an item made of water—perhaps some new form of ice cube. If, on the other hand, you notice quantities of iron and scrap, the item might well be made of metal.

Let us say you have decided on a diesel-powered hair trimmer. Right away the corporation will need a name. Zip-Clip, Incorporated, would be a good one. Next, a snappy slogan such as "We Trim The Nation."

Your corporation now has a good start, but there are still a million and one things to do. Stock must be printed, and someone will have to take it down to Wall Street and get it put on "the board." This gives the stock a chance to fluctuate and keeps it from growing brittle.

Later, when you declare a dividend, it will come in handy to have a few stockholders. Stockholders should be selected with care. The list must include one elderly lady with six shares who stands up at the meetings and asks embarrassing questions of the directors. The lady could be an office boy dressed for the part.

Next, you will need a board of

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**OPPORTUNITY?**

**by dick ashbaugh**

directors. Perhaps your church group or an amateur theatrical club can be persuaded to act in this capacity. They need know nothing about the business. Merely inform them to be at the board room on a certain date at ten o'clock, and that afterward a buffet of cold cuts will be served.

The board room does not have to be too elaborate. A long table is essential, made of oak or some highly-polished material. Pads and pencils should be at each place, and here and there a box of cigars. These can be cylinders of brown paper to save money. The only wall decoration necessary is a picture of your factory and a chart with colored lines show-

ing the increase of business over last year. Since you are a young corporation and have no factory, substitute a square frame of black paper with the legend "Our Factory at Night."

As president of the corporation, you will find that it pays to be on friendly terms with your directors. Call them by their first names and inquire about their children. If they have no children, ask about their pets. Perhaps at the first meeting they will decide not to manufacture the hair trimmer after all and sell out to a larger corporation.

This will give you a nice profit for the morning, and allow plenty of time to get at those cold cuts.

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*An enterprising youngster had started a new business. His business card gave the following information:*

*"MR. MARVIN JONES, JR., PERSONAL ESCORTER. TOTS AND KIDDIES TOOK TO SCHOOL AND RETURNED PROMPT IN PERFECT CONDISHIN—IF RECEIVED THAT WAY. MILITARY DISCIPLINE. RATES 25¢ A WEEK. REFINED CONVERSASHIN. ALL I AST IS A TRIAL."*

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*"I hear you lost some money in Wall Street . . . bull or bear?"*  
*"Neither, just a simple ass."*

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*"Now, Willy, have a little courage. When I have medicine to take I don't like it any more than you do; but I make up my mind that I will take it, and I do."*

*"And when I have medicine to take," replied Willy, "I make up my mind that I don't want to take it, and I don't."*

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# MENTAL ILLNESS behind the IRON CURTAIN

by Ruth Nathan



## Communist Confusion and coercion cause mental breakdown...

**UNWITTING SUICIDE**, the psychiatrist's label for a temporary lack of the will to live, as distinguished from many pathological mental illnesses, is one of the most common health problems today among the frustrated citizenry in the Red-ruled satellite countries.

Convincing evidence that the Communist Party system and man's hair-trigger nervous system were not exactly made for each other comes from a study of information reaching the *Crusade for Freedom* through *Radio Free Europe* and the Free European press overseas.

A devastating sense of personal inadequacy, bitter political resentments, fear and its consequent mounting rate of suicide, have been overwhelming the people. Satirizing this atmosphere, a Bulgarian newspaper quipped recently: "A hen was found hanging by the neck from the gates

of the Town Hall. It carried a placard which read, 'I decided to end my days as I found it impossible to lay the number of eggs required by the State . . .'"

But hens behind the Iron Curtain definitely are in the minority of those who have gone cuckoo for lack of ability to do the impossible. One 47-year-old Rumanian father who worked as an accountant thumb-nailed a case history of his own emotional deterioration. This is how he put it, speaking to other citizens in Kremlin-controlled countries over the Radio Free Europe network:

" . . . Keeping a job was no longer a matter of working well. It became dependent on how many Communist newspapers I could read; how many propaganda brochures I could learn by heart; how many political meetings I could attend per week. Because I was never much interested in politics, some of my bosses thought I was a capitalist sympathizer. I felt surrounded by agents and spies and trembled every time I spoke to

anybody, which became less and less often. I expected to be fired every day because I was unable to really please anybody, and I had a family to support . . ."

Mr. X., quite prepared and willing at that point to die for his peace of mind, took the risk of escape from Red Rumania. Happily, he and his family won in free Germany what they were after—emotional freedom.

Since stories about suicides reflect discredit on the Kremlin formula for happiness, there is a hard and fast censorship of such news. Questioned on this topical blackout by an American newspaperman, a Red spokesman declared: "There are more important things to tell the people about—like industrial production, and the better fruits of their labor . . ."

When one of the important Kremlin Party officials, however, decides to blow his brains out, it's not so easy to keep it quiet. One of the big post-Stalin suicides in May last year, which not only leaked but spilled, was that of Alexander A. Fadeyev, 55, chief Soviet literary theorist of the Stalin era, who packed a pistol to his head. Tass, the Soviet news agency, backfired that he was a "chronic alcoholic." It was Fadeyev who in 1948, at a conference of intellectuals in Poland, caused a sensation in the international press by declaring: "If hyenas could type and jackals could use fountain pens,

they'd write like the poet T. S. Eliot and the playwrights Eugene O'Neill and Jean Paul Sartre." Despite Tass' condemnation of the alcoholic Fadeyev, comrades Khrushchev, Bulganin, Shepilov and Molotov kept vigil at his bier when it lay in state.

The little peoples' suicides not only are squelched in observance of the hear-no-evil policy, but certainly go unmourned by the Commie hierarchy, determined to grin and bear the problem privately.

A Czechoslovak defector to the West reported that many people he knew in Prague took their lives out of loneliness. "They were forced to separate from their families, to relocate in employment where the government ordered them to go . . ." For the past three years, the suicide rate in Czechoslovakia has taken a shaky hike to the roof. The Stromovka, a central park in Prague, attracts a huge number of the despairing for the "place to go and die." So many bodies have been recovered there that of late the park has been surrounded by barbed wire and no longer is open to bench-and-tree lovers who may turn out to be more in love with death.

Why mental depression, hopelessness and suicide? The reasons are multiple but have one thing in common; they are traced directly to the mental cruelty imposed by the Communist government. For example, a Bulgarian father, whose 12-

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year old son had informed on him for listening to free-world broadcasts, was so brokenhearted at his son's disloyalty, he shot to death both himself and his boy . . . A young woman teacher who'd been hospitalized as a "saved suicide," said she had met about twenty other women teachers there who'd failed in the same attempt at self-destruction. "All of us," she reflected, "were unable to adapt to the confusion, the contradictions of the post-Stalin regime" . . . A literary editor who defected to Austria from Poland, said that since the Communists have ruled his country, "neurosis is the number one problem; there is general spiritual exhaustion." . . .

An elderly Budapest grandmother whose daughter and grandchild had been under mental care said: "The strengthening of religious belief makes the life under Communism easier to bear, but religious freedom is not to be found. People need to pray openly, in groups, in churches. My children didn't dare."

Poland and Hungary continue to be the most incorrigible problem satellites for Red Mother Russia. It may be, though, that the firm hand of the Kremlin is smacking too low and too hard for the point of discipline in dealing with the intransigence of these two most troublesome states.

In Hungary, there is continual belligerence, mocking and violence. After the Reds distributed early this

year the benificent poster: "Man Is The Most Precious Value In A Peoples' Democracy," it was followed by a new rush of executions of Freedom Fighters, most of them teenagers and young adults.

Janos Kadar, top man of the present Budapest regime, has been described concisely as "no model of mental health." A foreign correspondent who visited with him pictured him as a man "weary of life," who often speaks inaudibly to himself. When the reporter asked him: "Do you realize you are hated by the Hungarian people?" he answered blankly: "Yes, I know . . . yes, I know."

In Poland, where writers nowadays feel freer to discuss more openly the problems of the Polish state, much is being said about what is causing the mental and emotional collapse of its people. Some of the points they've been making: "Trust is degenerating. The people don't know whom to trust. They are also guilt-ridden with 'alibi-ism,' which is the feigned outward faithfulness toward Moscow hiding the disappointments and desolations."

The emotional toll of dishing out the injustices of the Red regime apparently is overwhelming the Red bigwigs themselves. An escaped Rumanian Air Force psychiatrist was able to tell plenty about his treatment of the upper-echelon victims. "Highly placed Party members are tense, tormented, difficult pa-

tients," he said, "reluctant to talk freely and hiding the truth even from themselves. They are showing the strain more than the satellite peoples. They are living on large doses of *evipan* (tranquilizer) and morphine. Some, like Mr. Khrushchev, prefer to drown themselves in vodka . . . ."

So here we have the picture of widespread instability in the Red states, among the pro-consuls of the Kremlin as well as among the enslaved peoples. How, then, emerging from this sick climate, have the recent thousands of Hungarian refugees now in the United States been able to adapt and adjust to their new environment?

Talks with leaders of religious and social welfare agencies reveal what may seem to be a phenomenon—that the need for psychiatric attention among the escapees is almost nil! There are none of the expected and more serious conditions, such as total crackups, resignation, apathy.

In the opinion of this writer, who has interviewed scores of new arrivals, Americans might best grasp the paradox of their sudden switch to good mental health this way: just imagine yourself virtually stir-crazy in the enslavement of a captive country. Suddenly you emerge, as if from a vast prison; you are safe across the border; the curtain of fear on your brain is lifted; you see and smell free land; you have

hope; you get your bearings; you're miraculously restored.

Then come kindness and assistance. Rev. Albert Rees Hay of North Haven, Conn., who has worked closely with the Church World Service in rehabilitating Iron Curtain refugees, told me:

"I have been in close personal contact with about 50 of these young people, aged 16 to 28. Nearly all suffered from anxiety, exhaustion, suspicion, fearfulness, bewilderment, nervousness. After about two weeks in town, they began to throw off initial fright. They were placed in friendly surroundings; kept busy. I remember the day I worked near a group of them and heard what I thought was a strange sound. It was laughter! Laughter, to which I am ordinarily so accustomed, rushed in on me like a shock when I heard it for the first time from these youngsters. Then I watched them, day to day, emerge as strong-willed, self-respecting, independent individuals . . . even hard to mold, I would say. American people should know this and not treat them as poor cousins."

I spoke with one of the young men who had been settled in a home and given a temporary breadwinner job through Father Hay. He has been a Freedom Fighter, he said, and he was 25 years old. He was a graduate lawyer, the son of a well-known family that remained behind in Hungary. He hesitated to talk

to me of his background because he "trusted only science reporters," and was afraid I might distort his thoughts or reveal his name. When I assured him I would not, this handsome youth, who could speak English, told me slowly and philosophically: "I have never experienced individual love. This is my first experience with a community of love. I'm convinced there is an absolute need to have this sense of relations with groups to sustain you with a love of humanity and reason for living."

Lyon Mearson, public relations official of the United Hebrew Immigrant Aid Society (HIAS), asserted that not a single one of the many hundreds of Hungarian refugees his organization helped to transport and settle during the tumultuous days of the rebellion was found to be in need of psychiatric help. "There were reports," he said, "that some were ailing with nervous conditions while still in detention camps overseas. But once they got here they

seemed to be in excellent shape, physically as well as mentally. I think," he said, "that the sight of that Statue of Liberty probably has great therapeutic value."

Cordelia Cox, director of the Lutheran Refugee Service, noted that, although this church organization had received over 1500 escapees, again not a single one was in need of hospitalization for mental treatment. "Many were in a state of shock because of physical ordeals," Director Cox said, "but they soon were restored to good condition after a bit of rest, food, and assurances."

The United States, it seems, has much to be thankful for. While the Kremlin-dictated countries battle a continuing rise of mental health problems among its severely distraught masses, incredibly and fortunately, America has been receiving the very cream of high-caliber moral strength from its shores. Freedom has proved to be the best medicine for a captive mind.

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*A great man once proclaimed  
That all men are born free.  
But he must not have paid  
An obstetrician's fee.*

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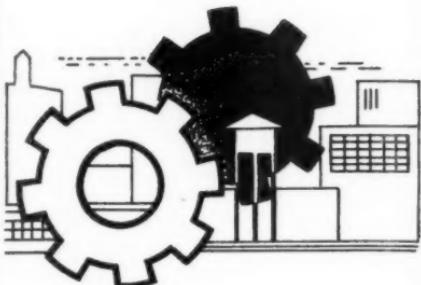
*The farmer's pig was killed by an automobile, and the farmer was raving mad at the motorist. Trying to calm him, the motorist said:*

*"Don't worry about it. I'll replace him."*

*"You can't!" bellowed the farmer. "You ain't fat enough!"*

# AUTOMATION

*... Its Impact  
on management*



by Carroll W. Boyce

**A**MONG SUPER-SOPHISTICATES and self-styled experts, there's still plenty of argument about what is meant by automation.

It's closed-loop feedback.

Or it's servo-mechanism control.

Or it's intra-machine prepositioning devices.

Or it's electronic data reduction.

Or computers.

Any or all of those things can mean more production with less effort. So any or all of them mean automation.

In my book, more production with less effort means a rising standard of living. If the word automation is the quickest and easiest and most easily understood way of expressing that concept, then I want more automation. And I would expect that most other people would want it, too.

However, such is not the case. There is a growing fear that automation will destroy jobs, put people out of work, create a depression.

For a moment, let's take a look at the long-range prospects for automation creating unemployment. (The shorter range picture is important, too. But let's come back to that after we get a 20-year perspective.)

To get a benchmark, let's look briefly at 1955. Sixty-three million, two hundred thousand workers were turning out goods and services at an annual rate of \$387 billion, for 165,000,000 people.

We find that each worker is producing \$6150 a year worth of goods and services. And, contrariwise, the goods and services produced come to \$2350 per capita for each of our 165 million people.

Now let's test two hypotheses. Our first will be that we, as a society, put a lid on automation—using that term in its broadest sense—and thereby restrict the output of our workers to the present level. No more technological improvements. Where would we be in 1975?

We'd have 82,000,000 workers (I'll explain that figure later) each turning out \$6150 in goods and services, for a total of \$505 billion. Thus the goods and services for our 220,000,000 population in 1975 would be only \$2300 per capita. In other words, our standard of living would have decreased!

Because of the combination of the low birth rate in the 1930's and the present high rate of population increase, our ratio of potential workers to total population will decrease between now and 1958 or '59. So if we put a brake on increases in output per worker, our standard of living would dip sharply in the next few years, before slowly returning to its present level in 1975.

IT SEEMS TO ME that a rising standard of living can be considered almost in the same class with motherhood: everybody's in favor of it. But then there's always the question, how much of it?

Obviously, a categorical answer is not possible. But we can make this comparison with the rate of increase from 1940 to 1955. Measured by this same per capita standard, we

have been increasing our production of goods and services 2.8 per cent per year for the past 15 years.

It is my view that our *minimum* goal should be to continue this rate of increase in our standard of living. If we accept that premise, then our production of goods and services in 1975 should be \$4150 per capita, or a national total of \$895 billion. That's a far cry from the \$505 billion we'd get at the present rate of production per worker.

We'll now discard our half-baked assumption about artificial limits on technological progress, and assume on the contrary that output per worker continues to rise at the same rate as in the recent past. Measuring in "1955 constant dollars," from 1940 to 1955, output of goods and services rose from \$4350 to \$6150 annually per worker—a rate of increase of 2.4 per cent per year.

If our rate of increase in output per worker continues at this same 2.4 per cent per year figure, by 1975 each worker will be producing \$9750 worth of goods and services. To get a total of \$895 billion, we'd need 92,000,000 workers.

Now, you'll note that I've been talking about *annual* output per worker. The number of hours worked also enters into this picture. Over the past 50 years, the average number of hours worked per year has declined at the rate of about 0.6 per cent per year. The rate has been erratic, to be sure, with points fall-

ing above the trend line during the two World Wars and Korea, and below the trend line during the Middle Thirties. But that's the long-term rate. If we assume that the same rate will be continued for the next 20 years, by 1975 each employee will be working 11 per cent fewer hours per year at his job.

That would mean working an average of 36 hours per week—and on that basis, we'd need 101 million workers. If the work week should fall to 32 hours—as many union leaders demand—we'd need 110 million workers in 1975!

Now, is this talk of a 32-hour week just a figment of the Meany-Reuther imagination?

Let me offer you a quotation from a 1954 policy statement of the UAW-CIO Economic and Collective Bargaining Conference:

After the guaranteed annual wage has been secured, the shorter workweek will take its place at the top of our collective bargaining agenda along with the continuing fight for higher living standards.

It would hardly be fair or accurate to say that the "guaranteed semi-annual supplements to unemployment compensation" written into the latest UAW contracts constitute a "securing" of the guaranteed annual wage. But the principle has now been established. As with pensions, it will take a couple of rounds of bargaining to get the guarantees up

to a level the unions consider satisfactory. But when this is achieved, then you can expect the big push for shorter working hours.

If I may be permitted a couple of predictions here, I'd suggest this time-table. From now till 1960, while labor is particularly short, there will be no appreciable shortening of the workweek. From about 1960 or '61 to '65, when the war babies suddenly start flooding into the labor market, the unions will exert increasing pressure for a shortening of hours. By 1965 the dam will have broken with the first major concession by one of the big companies. Before 1970, a workweek of 36 hours or less will be generally accepted as standard, along with three-week vacations for hourly workers. The political campaign of 1968 (maybe as early as '64) will make a major issue of amending the Fair Labor Standards Act to provide a legal requirement for overtime pay beyond 35 or possibly 32 hours.

**N**ow, WE HAVE SEEN that depending on a work week of 40, 36, or 32 hours, we'd need 92-, 101- or 110-million workers in 1975—on the basis that output per man-hour continues to increase at its rate of the past 15 years.

How do these requirements compare with the labor force that will be available in 1975? Here's how you have to figure it:

The bulk of workers are age 20 to 65. There are now 92 million

such people. The 20-to-65 group in 1975 will be made up of those now living and under 45. They number 117 million. That looks like an increase of 25 million. But the mortality tables indicate that 10 million or more of these people will die before 1975. So the net increase will be about 15 million.

Actual increase in the active labor force will be far less, however. In 1975 we'll have 23 million women in the prime childbearing ages of 20-35, compared with 18 million today. Relatively few of them will be available for jobs, so knock five million more off your estimate. Others between 35 and 65 will be married and in a dependency status. Still others will be "involuntary" dependents—physically or mentally incapable of working. And increased enrollments in colleges and advanced study courses will cut even further into the available work force.

Immigration, of course, will add to the 20-to-65 group. But, unless there's drastic change in U. S. immigration policy, the most we can expect from this trickle of newcomers is two or three million.

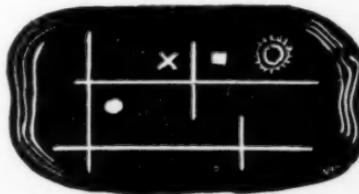
How many more under-20's we'll have in the labor force depends on the birthrate in the next few years. A net increase of about two million seems likely. (This figure is discounted for those under 20 who remain in school—but the percentage staying in school will probably continue to rise.)

Added up, about the best we can look for is an increase of 14-15 million in the under-65 working group.

What about those over 65? Greater longevity will mean at least eight million more in this bracket by 1975. But here's where changing economic conditions will have their greatest impact. Today's better-paying jobs and the resulting high level of personal savings—a natural outgrowth of rising productivity—plus the proved ability of our economy to sustain improving programs of Social Security and private pensions, will combine to reduce the need for jobs by many people who formerly felt they had to have this additional income to maintain their living standards.

In a period of inflation, the "fixed income" position of this over-65 group might drive three to five million of them into the labor market. But, with a stable currency, there's a good chance we may even have a slight decrease in the total number of people over 65 seeking jobs.

Unless you want to assume the three million men under arms will be available for civilian work, the best



we can hope for is a labor force of 86 million—up 20 million from the present 65.8 million. Much more likely, it will be around 82 million. And it could be as low as 78 million.

But any of these figures are a far cry from 92 or 110 million. And the cry will be labor shortage unless more automation than we can presently see makes up the difference.

The only alternative would be to slow our progress toward a higher standard of living. And it's obvious the American people will not accept such an alternative.

**S**O THE JOB AHEAD for automation is this:

To make it possible for 82 million workers to match the output of 146 million working at present levels of hours and productivity. In other words, to "eliminate" some 64 million present or otherwise necessary jobs over the next 20 years. That's as many jobs as now exist! And if we want to reduce the work week to 32 hours, we'll have to "eliminate" upwards of 80 million jobs.

Obviously, this does not mean 65 to 80 million will be thrown out of jobs. Advancing technology is today "eliminating" about 2 million jobs per year. Yet, except for two rather brief periods, unemployment has not exceeded 3 million at any time in the past 15 years.

But anyone who doesn't admit these circumstances will result in displacement of some workers is kidding only himself. He's certainly

not kidding the worker who must find a new job.

It's all very well for the economist-philosopher to adopt the attitude that the technological progress has created another job elsewhere for this displaced worker. That he is merely "a statistic of necessary frictional unemployment." But, to the Joe who has been displaced, it is serious business. And Joe has been paying his dues every month to be sure that the union would consider it serious business, too.

The United Auto Workers union pulls no punches in laying its policy line on preserving the jobs of displaced workers:

Provisions must be made so that those immediately affected do not suffer in order to provide society as a whole with long-run benefits. In the course of reaching higher living standards, we will not take one step backward in order to take two steps forward.

Short-sighted? Obstinate? Even asinine? Call it what you want. But don't overlook this fact: That's just exactly why Joe has been paying dues.

Up to the present, at least, Joe is not satisfied that industry and society collectively, are giving him enough protection in terms of retraining programs, placement services, and unemployment compensation. Until he is satisfied, he is going to expect his union to protect him, not society as a whole.

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Whether you view this situation as a social or an economic peril is a question of political and moral persuasion. The important thing is not how you view it, but that you remain constantly aware of it as a situation that must be corrected if it is not to be an obstacle to capitalizing the opportunities in automation.

I think perhaps these opportunities can best be characterized with the single word "change."

Changes in both products and processes to meet consumer demands for different or better products at lower prices are being made more rapidly than ever before. Industry's greatly increased expenditures for research will further accelerate this rate of change. And with each change, certain jobs, certain skills, and sometimes whole plants or even industries are made economically obsolete.

I think it is worth noting that many of America's largest corporations report that from 25 per cent to more than 50 per cent of their 1954 sales were of products that didn't exist even in laboratories before World War II. And 100 per cent of the sales of a legion of smaller companies are in this category.

There is every reason to believe—and—to my knowledge—no reason to doubt, that the shift in products and services will be fully as dramatic in the next 20 years.

I can't possibly predict what those changes will be. If I could, you'd probably laugh me out of town.

**B**ECAUSE IT IS TRUE that as we reach more advanced stages of technological development, it becomes less and less possible to merely copy what has already been done by someone else. The methods associated with automation are often so intimately related to the peculiarities of the product, process, and even buildings as to make copying and minor adaptations unlikely to produce beneficial results.

It's true also that at each stage of our development, there are fewer and fewer individuals with the imagination to see how more advanced methods may be adapted to one's own situation. Rarer still is the individual who combines this imagination with the salesmanship ability necessary to gain approval for his proposed adaptations. Yet these qualities will be sorely needed in the management of any company that is to recognize and capitalize on the opportunities of automation. Because the big advantages will go to those companies that see the opportunities first, and grasp them quickly, while the major competitive advantage is to be had. For there is little that is secret or even patentable about automation. A few specific devices are sure. But the concept of automation, of improved manufacturing technology, is not. And the greater the value of any patentable device, the greater will be the effort by other companies to obsolete the devices.

It's a vicious cycle—all for the consumer's benefit.

But it serves to point up the increasing emphasis that will need to be placed on an often neglected aspect of management planning.

For a long time now, we have been taught that management—whether you call it an art or a science—was based on the "Four M's." That is, management was the coordination of men, machines, materials, and money.

Today, it is more necessary than ever to realize—as an increasing number of managers do—that management's task is that of coordinating three basic resources: human resources; physical resources;—including machines, materials and money; and TIME.

Management can exercise varying degrees of control over two of its three basic resources—the human and physical resources. Management cannot control its third basic resource—time. Sixty minutes are going to pass every hour; they cannot be compressed or extended; they cannot be recaptured or relived.

Perhaps it is because time cannot be controlled, it has seldom been considered by management as a basic resource. Yet it is the only resource which cannot be increased in quantity or substituted for as quantities beyond the available supply are required.

I believe it was General Kindelberger, President of North American

Aviation, who said, "By the time any plan has been translated into accomplished fact it is obsolete." What does that mean in a practical sense?

Well, certainly it means that the time lag between plans and accomplished facts must be shortened—that much is said directly. But it means much more.

It means that the time to formulate plans must be shortened. And also that these more-quickly formulated plans must be better: more complete and yet more flexible to meet changing conditions in the industrial, economic, political, and social scene. And, very important, these plans must be more easily understood by those who must act upon them; those whose responsibility it will be to translate them into accomplished fact.

Here is where the opportunities are legion for the data processing system, and for the man who can interpret this system to his management.

The inadequacies of most present plans do not result from a lack of desire for perfection or even precision. They result from the practical limitation that time is not available to gather and analyze all the data that might be pertinent to the formulation of a plan. I venture to say that a company would never make a sale if it determined to have a perfect plan work out before it began production.

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I HAVE OFTEN HEARD it said that many engineers make poor executives because they virtually refuse to freeze a design for production; they know that the present design leaves something to be desired.

With the high-speed information gathering and analyzing devices now available—and certain to be improved over the next few years—we should be able to change this situation. The day may not be far off when there will be no validity to the excuse, "I had to decide before I had time to collect all the facts." Or, "There just wasn't enough time and manpower available to make a complete analysis of the facts available."

Of course, one of the things most of us will have to learn about our businesses is, just what facts can be made available. I think we shall be in for some surprises—both pleasant and unpleasant. With so little time—and, frankly, the high cost of paperwork—we have heretofore forced ourselves to be content with what we have rationalized ourselves into believing are the most important facts. I fear that in too many cases we have assigned "importance" to facts solely because of their availability. We have not had the others against which to weigh them, hence we have called them important.

All right. We now gather great masses of hitherto unavailable information. So what? We've got it, now what do we do with it?

In many—even most—instances, it would exceed the capacity of a single mentality to assimilate all the data and decide what is and what is not important, and then reach an operating or policy decision based upon those facts. Here's where our systems analyst—maybe you'd rather call him an operations research worker—enters the picture.

With data processing machines to carry the man-killing burden of manipulation for us, we can now build a model of our business—a model that takes all the facts into consideration. A tremendous job? Surely.

But well worth it on a one-shot basis. And there's a point that too many people are overlooking. Perhaps in subconsciously trying to overstress their own importance, the operations research teams and data processing zealots are giving managers the idea that this terrifying process must be used every time a decision is to be made.

At the risk of making a categorical statement in a field where I am by no means an expert, I'd like to say, "Nonsense."

The complete model can be and should be merely a means to arriving at a simplified model—but a simplified model about which we can have the assurance that only the relatively unimportant facts have been eliminated. Once this is done, future decisions can be made in a far less costly manner—perhaps they can be made manually, as at present, or

at least with far less expensive equipment and expensive personnel.

The complete system analysis has given us a workable and reliable simplified system with which to work in the future.

Obviously, this simplified system must be subjected to periodic reviews to be sure it is still consonant with the complete system. But even this can be done most of the time without a complete re-analysis. Introducing a limited number of new variables will establish the effect of those variables upon the simplified system. When and if this effect becomes significant, we know that a new over-all appraisal is called for.

Each halting step in our progress towards this goal gives us greater flexibility and conserves our most valuable asset—time.

IT IS ALL PART of the "rising curve of technology" that in the next two decades will increase the rate of obsolescence of both products and processes. It's easy to see how such tangibles as whammits, or the frammis machines that make them, will be obsolete. It's a little more difficult to grasp the idea that services—ranging from our present concepts of transportation to medical care—can be made obsolete, too.

But the hardest thing of all to grasp—because each of us resists it so vigorously—is that human beings, too, will be made obsolete more rapidly by technological change. Not in a biological sense. But in terms

of the skills, attitudes, and ideas that we so stubbornly refuse to modernize.

And the bitterest part of the pill is that it is management, as a group, that will be subject to the most rapid obsolescence.

Skills that become obsolete are, relatively speaking, fairly easy to slough off and replace with new ones. It is in this area that the bulk of the work-force will be affected by personal obsolescence.

Attitudes tend to be ingrained rather than acquired, and are more difficult to change. And because workers' attitudes are so often a reflection of management attitudes, the pressure of obsolescence in attitudes will be felt most keenly by management. In addition, it is management attitudes that must be prepared to meet the initial impact of new competitive challenges.

However, it is in the area of ideas that the full force of personal obsolescence will hit management—certainly as individuals, and perhaps collectively. New technology is exposing management to ideas that were not dealt with in the textbooks and the classrooms of 10 or 15 years ago, much less 30 or 40. The executive who does not keep his ideas modern by constant, aggressive learning from every available source will increasingly often be called on to make decisions on problems he cannot grasp.

But beyond the area of lack of technical knowledge lies the need for

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gaining a whole new concept of the possibilities of a situation. To avoid personal obsolescence and business stagnation calls for a willingness to test new ideas by new standards, and occasionally accept new ideas without testing them at all. That doesn't mean we should refuse to learn from the past. But it does mean that just because something was either good or bad in the past doesn't mean it will necessarily be either good or bad in the future.

There is the key challenge to management: To institute a more dynamic and more flexible concept of managing; a concept that will provide managers both individually and collectively with a ready means of breaking loose, when necessary, from the "traditional" way of doing anything. For the stepped-up rate of obsolescence of ideas will make it progressively more difficult to copy or even adapt someone else's ideas; more and more often, management will need to apply entirely new thinking, right from the ground up.

This situation, of course, makes effective resistance to change easier than ever. In many cases, the resistance need not be active; it need not even be conscious. Mere failure to seek and promote new ideas will often be enough. And this can be an unconscious outgrowth of our natural tendency to be satisfied when things are going well. We succumb to the inertia of the status quo.

And the more advanced a company

becomes, generally, the more profitable and satisfied it will become. That, in turn, creates the impression that there is little urgency for further improvement—unless a few really aggressive leaders keep insisting on even more progress.

This task I have outlined for the next 20 years will not be simple to accomplish. And it will be made more difficult by the fact that, during those years, we must additionally be building the foundation for still better decades to come.

And I ask you to give sober consideration, also, to the fact that despite my unshakable belief in a long-term labor shortage, we'll continue to have pockets of unemployment throughout this period. Companies—even whole industries—will become economically sick as shortsighted management or far-sighted competitors (and sometimes a combination of both) put the skids under individual segments of our industrial society. Short of government subsidy to perpetuate inefficiency, there's no way to stop this process. It's inherent in the competitive system.

But if our competitive system is to stave off government domination, then it must also assume an obligation for easing the consequences to the individual workman of an economic shock for which he bore no responsibility.

These, then are the challenges. And within these challenges are to

be found opportunities. Opportunities for each of you as individuals, as well as opportunity for our industrial society as a whole.

Those of you who are ready will find the opportunities, and seize them. And you will prosper as a result. Others among you will not see the opportunities; or, seeing them, you will fail to grasp them. And in the nature of our competitive system, you will pass into economic eclipse, and perhaps into economic oblivion.

The only question you must answer for yourselves—and also for your companies, and for the private enterprise system of which you are an important part—is whether you want to be in front of the parade or behind. There is no longer any

question whether there will be a parade. It has already started.

Other individuals are seeking to prove their superiority—to make you economically obsolete.

Other companies are seeking to prove their superiority—to make yours economically obsolete.

And other social systems are seeking to prove their superiority—to make our private enterprise system economically obsolete. And make no mistake—if the free enterprise system can be made economically obsolete, it will also become politically and socially obsolete.

The aggressive and intelligent application of automation can—and I feel confident, will—enable us to meet all of these challenges.

*From a speech presented to an NMA Conference by Carroll W. Boyce, Associate Editor, FACTORY MANAGEMENT & MAINTENANCE, a McGraw-Hill publication.*



**"Frankly, Mr. Farrell, what I'm most looking for in an efficiency expert is someone who'll leave the Personnel Department alone."**



**Elementary  
Principles  
of  
Sound  
Organization**

by Louis Rutherford

**ONE**—Responsibility must be clearly defined, not only to individuals directly involved, but in a manner that will be understood by every member of the organization.

**TWO**—Authority must match responsibility. A man cannot be expected to discharge responsibility unless he has corresponding authority.

**THREE**—You cannot *command* the support of the people you supervise. You must *earn* that support.

**FOUR**—You can earn support only by treating people fairly. It is not enough to measure fair treatment by your personal standards. You must learn to deal fairly by the standards of the person involved. This is not easy. Unremitting study and careful reflection are essential to success.

# I QUIT!



By Robert G. Whalen

BREATHES there a man with soul so dead who never has felt like telling his boss to go to hell? Surely, quitting a job must be one of the precious rights in a free society, under the heading of the pursuit of happiness. And, certainly, the working men and women of America are exercising it freely these days, though more or less politely.

The Department of Labor says that a considerable amount of quitting is going on. In factories, for instance, the "quit rate" has been around 1.3 per cent per month. This is far above pre-World War II rate. It means that thirteen of every 1,000 employees quit each month, 156 of every 1,000 each year. Six times as many people are quitting as are fired.

Quitting has been extensive also on the executive level, with sub-bosses forsaking *their* bosses on a large scale. Indeed, one of the great taboos of business life has been considerably relaxed. Time was when

a man who had more than three employers during his working life was likely to be regarded as something of a fly-by-night. Now we are told he can have as many as five and still be thought respectable.

The heavy traffic of round pegs looking for round holes is, of course, a symptom of the prosperous times. Opportunities abound. "Thou shalt get ahead" is a social commandment of powerful force. It has become much safer to prowl about looking for a new job than it was in the depressed years when for a man who had cast himself adrift, baby, it was cold outside.

The most frequent job-quitters, it has been found, are the young, the unskilled, the low-paid, and women. The principal reasons in the case of women, however, are marriage and pregnancy, and what personnel manager would want to put a stop to that? In fact, one survey in an aircraft plant showed that women quit three-quarters of the time for personal reasons such as these, while three-quarters of the men left for

reasons connected with the work.

Often, the quitter has a variety of reasons for quitting but doesn't know what they are. Or, if he knows the reasons, he may hide them. Wayne L. McNaughton, of the University of California at Los Angeles, recently reported some illuminating findings from a questionnaire sent to people who had quit a certain firm two to eleven months earlier. More than 40 per cent gave reasons that did not check with those given at the time of quitting. In the first instance, the excuses had been on the polite side—another job, health and the like. Later the truth came out—poor pay, bad supervision, etc. Nevertheless, well over half said they would like to go back. Mr. McNaughton concluded that after a while on a new job the old one did not look so bad after all.

As for specific reasons for quitting, money, of course, comes first to mind. There is no question that this is a strong force in pulling a man out of one job into another. Men in their twenties and thirties and building families tend to go for that bigger paycheck. Generally, however, the lure of money is not nearly so decisive as one might expect. Many women work in order to bring a second paycheck into the home and a small difference in the amount is not too important. On the executive level, we are told, salary plays a part less than half of the time, and then it is likely to be one of several reasons for wanting out. The man

who gives money for wanting to change may actually be frowned upon; it shows insincerity.

It is the general area of lack of satisfaction with the old job that the experts are investigating intensively, because it suggests much that management can do to cut down turnover. It covers a multitude of occupational sins.

A man may be in the wrong business, or on the wrong side of the right business, for his interest and abilities. Management may be at fault. In one survey, the most frequently given reasons for quitting pointed squarely at inept supervision—lack of instruction, failure to explain changes in the work, refusal to answer questions, conflicting orders. A study of a large Midwestern firm by the University of Michigan's Institute for Social Research put the finger on the failure to meet the personal needs of employees—for recognition, responsibility, fair appraisal, "knowing the important people" in the company.

Perhaps one of the most revealing discoveries was that of the Harwood Manufacturing Corporation, a New York textile firm. The company was baffled by a turnover problem until a psychologist, the late Dr. Kurt Lewin, visited the plant. He suggested that perhaps the trouble was that the workers had a sense of failure. The records bore him out.

Harwood had been telling new workers they had a certain "standard" efficiency to attain. The quit rate

was heaviest among those who had almost reached it. What was happening was that they came to the point where further improvement was most difficult; they became frustrated and decided to chuck the job. Harwood set up a new system of progressive goals, so that the worker could know he was making headway. Turnover dropped by 55 per cent.

There are many other reasons why people leave their jobs, as anyone who has overheard or taken part in a washroom griping session will recognize. The hours may be bad—an important consideration for women who have homes and families to manage. Transportation to the job may be awkward and unpleasant. The surroundings may be uncongenial.

That working life is part of one's social life was illustrated by the case of a girl clerk who sent her boss a quitting notice here quoted in full: "It's too quiet around here. I'm through on the fifteenth." In Hartford, Conn., a secretary quit and then claimed unemployment compensation on the ground that she was forced to quit because she couldn't stand the dirty jokes the other women told at lunchtime. (She lost the case; she could have lunched alone, the ruling said.)

A common experience is the dead-end street; a man can't see his way to promotion because his immediate boss—often a good friend—just stays there, or because the next job up is

earmarked for the boss' son. There may be a new "man from Topeka" brought from the field into the home office and probably nurturing a lot of disconcerting ideas. Or perhaps the man and the people with whom he works simply rub each other the wrong way.

The solution to all this, one authority has remarked, is plain: just hire people who will not get dissatisfied, move out of town, marry and/or get pregnant, etc., etc. More practically, management unquestionably is paying more attention to its own sins of commission or omission and to fringe benefits, from restrooms to pensions, not to mention higher pay.

The tight labor market also has widened the field for specialists. On one side of the picture are management consulting firms that engage in "executive search," locating talent in return for fees paid by companies. On the other side are "executive counselors," who advise and are paid by men seeking new jobs.

Each of these forms of enterprise must be worth while, else they would not pay in the long run. Each, it must be remembered, affects companies that are losing out in the competition for talent, as well as companies that are gaining. The hard word for it is piracy, but the pirating of help is one of the accepted facts of the times—another test of capacity to survive in a competitive society.

*Reprinted from the NEW YORK TIMES MAGAZINE.*

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# Developing

**T**ODAY'S SUPERVISOR is usually up to his ears in training activities. This modern stalwart of industry is seemingly forever either training new employees in old techniques, or old employees in new techniques. No doubt, training has become a big part of the supervisor's daily routine.

True, the supervisor gets help. Lots of it. He usually has at his command up-to-date training aids, and he is steeped in latest instructional know-how. In larger plants a capable training section is usually ready to lend a helping hand.

Still, the supervisor has his training problems. Not the least of these problems is developing proper trainee attitude toward both the training and the instructor. For attitude goes a long way in determining how much we learn.

How do we go about this job of developing proper trainee attitude? Obviously, there's no patent answer. After all, we are working with people, and what might work with one individual might not work with another.

But we believe there are certain fundamental principles, properly ap-

## Trainee

## Interest



plied, which might help in developing the desired attitude.

**ONE—Establish proper contact with trainee**—Being cast as a student sometimes makes more mature workers feel uneasy, possibly incompetent. Of course, nothing could be further from the truth. But the trainee's fears are real enough for him. To help the trainee overcome this feeling, the supervisor-teacher needs to establish rapport—a meeting of the minds. He must make the trainee feel that he has his best interests at heart.

The trainee may be interested in knowing that he won't be the only one to learn. Training employees is like any other form of teaching. The teacher often learns as much—oftentimes more—than his students.

It is also important that the employee be sympathetic with some of the instructional problems. Trainees are rarely interested in, or have a knowledge of, techniques of good instruction.

Thus the average trainee finds it difficult to analyze the training he receives. The trainee, of course, knows when the instruction is inferior. But when instruction is good, he ordinarily becomes so absorbed in the subject that he will not notice the techniques used in presenting training material.

When the trainee knows "where the instructor stands" and understands some of his problems—he is in a good position to learn.

**TWO—Help the trainee see the**

**goal**—Every trainee should have a training objective. Why is he being trained? What's in it for him?

Thus, at the outset, it might be wise to establish two landmarks. First, remind the trainee *where he is*—how much he knows about the subject. Secondly, tell him *what he can learn*—in other words, what he can gain by participating and learning in the course.

A trainee without a goal would be like a halfback practicing 30-yard field goals through an imaginary goal post. He couldn't evaluate his efforts. The trainee, too, needs something to shoot for.

The goal should include an overall picture of the job the employee is to fill. Naturally, the supervisor will stress the job's specific operations. But an explanation of how the trainee's particular function will fit into the overall operation will give the employee's job more purpose.

Each job, then, is thought of in relation to the whole job, or overall operation.

Considerable attention should be given the quantity and quality of the work. The work layout should also be explained. Defining these things might help prevent readjustment or relearning later on.

**THREE—Motivate the trainee to apply himself**—All trainees should be propelled by a desire for personal growth. Unfortunately, this isn't always the case.

To begin with, the importance of

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training needs no argument. This statement is supported by the many training programs being sponsored by business and industry. Training employees costs the company time and money. It is not window-dressing, as some trainees believe.

What, then motivates the trainee? The chance for more money? Increased personal knowledge? The possibility of promotion? Increased job know-how? Yes, all these reasons and probably many more.

How about job satisfaction? Isn't it generally true that the happiest employees are those who know their jobs best? The job becomes more interesting as we gain mastery over it. Gaining mastery not only helps the employee in his present job. It paves the way for new jobs and new areas of activity. It broadens his base.

Today, probably more than at any time during the history of big industry, learning is most urgent. Automation, nuclear developments, and many other technological advancements make it necessary for the individual to keep learning so that he may keep abreast of the times.

The promise of financial reward, however, remains one of the strongest motivating factors, and should not be minimized. Most people are interested in learning any job that will insure their families a higher standard of living, or help send their children through school.

The old saw that "a battle is half won if a man thinks he can win it"

still makes sense.

**FOUR—Impress on the trainee that learning is his responsibility—** Good instruction is invaluable. But learning in itself is not a *passive* process. Learning requires active participation by the trainee.

Increased knowledge is within the reach of almost everyone. However, it can't be spoon fed. There is no "royal road to learning." The supervisor simply cannot "turn over" his knowledge to the trainee. The trainee needs to be aware of this.

The surprisingly common notion that training, or learning, is passive might be traced to our modern mediums of communication—radio, three-dimensional movies, television, and jazzed-up instrumental techniques. Otherwise, what is there to make the student hesitate to expend a little energy on learning?

Desire is an indispensable virtue in learning, as it is in most other fields of endeavor. A coach, for example, can help a quarterback improve his running, kicking, ball handling, and play selection—providing the player has some natural ability. But the degree to which the quarterback improves will probably depend on his desire to improve. Many an "average" player has risen to the heights largely on his intense desire to improve and excel.

Likewise, the student needs a real desire to learn before he can really go places.

**FIVE—Let the trainee practice**

*what he learns*—The trainee cannot learn an operation by listening and observing alone, particularly on the industrial scene. The employee needs to try the job on for size. He must "get the feel."

The trainee can learn much from classroom instruction, outside reading, and bull sessions with his co-workers. But knowledge comes when the trainee has a chance to put these learned principles into real practice.

Practicing results might be more effective if done at proper intervals. Most supervisors have found that a trainee gets more benefits from, say, five one-hour sessions during a week, than one five-hour practice session.

**SIX—Keep his interest**—After getting the trainee interested, there remains one big problem. How do we sustain his interest in the training?

Perhaps the desire to learn at first is intensified by the trainee's dependence on the supervisor for his training.

But after gaining an elementary work knowledge, the trainee is sometimes inclined to lose interest in acquiring further knowledge. At this point the rate of learning decreases rapidly.

Here, again, we can take a lesson from the athlete. Many sprinters have used their natural talents to run the 100-yard dash in 10 seconds. A handful of dash men can run the century in 9.5 seconds or less.

How do they do it? Natural tal-

ent? Yes. But invariably you'll find these champions have trained to the Nth degree. They have made the extra effort—the effort that characterizes champions and leaders.

It doesn't hurt, either, to give the deserving trainee a pat on the back. If he's given reason to believe that he is making good progress, he'll more than likely keep up the good work.

Finally, there are a few "ethics" which every trainee might use if he is to derive maximum benefit from his training:

The trainee should welcome every opportunity to increase his knowledge. He owes this to himself and to his company.

The trainee should accept training as an opportunity—not as a burden or compulsion. Promotions usually go to those with increased job know-how.

The trainee should extend to the instructor the same co-operation and courtesy he would expect if he were doing the instructing. The Golden Rule of the shop should be kept in mind: "Put yourself in the other fellow's shoes."

To say that many advantages are open today to those who are willing to learn is a statement of the obvious.

If the trainee can take advantage of these opportunities, he can advance not only in knowledge and skill, but in personal satisfaction and ultimate happiness.

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# Lady — STAY AWAY FROM THAT



SOCIOLOGISTS deplore the fact that the man of the typical American family is deteriorating into a kind of fuddling comic-strip husband, manipulated with amused tolerance by his wife and children. If this is true, part of the blame must fall on the designers and builders of the "contemporary" house. Specifically, the old den, master's study, library or what you want to call it, where once upon a time a man could do a little knitting on the raveled sleeve of care and nurse his battered self-respect back to a semblance of health, is no more. Instead there is foisted off on him a kind of bastard room known as a "study-hyphen-something." There are study-guest rooms and study-TV rooms and study-family rooms.

Riffle through the pages of a house and garden magazine, and you will see these rooms by the dozen. In one house there's a study-guest-TV room where the so-called head of the family is sitting bolt upright on

a sofa staring at the pages of a book while his wife tunes the TV and his daughter practices on a xylophone. In another, according to the caption of the picture, "a cherry-paneled study doubles as TV room, has walk-in fireplace where children roast frankfurters." (If you want to give your frame a shudder, imagine your grandfather catching somebody roasting frankfurters in his den.)

A picture in a recent *McCall's* magazine wraps up the situation neatly. "The dismal old attic," says the caption, "becomes pleasant hide-away for the man of the house." Scrutiny of the picture itself reveals this statement's dishonesty. The room contains a red telephone, a radio, a TV set, a card table with a half-played game of scrabble and two (2) desks and two (2) stools. It is possible that a man could hide away in such a room, but it would be the kind of hiding in which the purse snatcher loses himself in the crowd.

*McCall's*, of course, is "The Magazine of Togetherness," so it may be forgiven for overlooking the fact that what a man wants in his den is not togetherness but aloneness.

Last summer 103 ladies were invited to Washington to present to the government their ideas about what they wanted in a house. They gave forth with the usual demands for bigger closets, separate dining room and so on. Not much was said about dens. So *Changing Times* invited a group of representative husbands to set forth their ideas about what they wanted in their half of the house. Herewith are the results.

The den should be a room in its own right, not a hyphenated combination. The beauty of a bona fide den is that a man can interrupt a complicated job of work, or set a book or magazine down open at his place, and come back later expecting to find everything as he left it. This is impossible if the den doubles as a guest room. Then the lady of the house is constantly tidying it up under the delusion that her mother is about to come for a two-week visit.

The den should not be "off" any other room. It is hard to understand how an architect can sleep at night after he has had the gall to label one corner of a large, open family room "study."

The den should have one easy chair and no more. That doesn't mean that men are anti-social. It just means that when a man is stretched out in his easy chair concentrating, he doesn't want to be distracted by a lot of loud noise such as the clack of knitting needles. There should also be a good bolt on the inside of the door and a tumbler lock on the outside. This will keep to a minimum situations such as the one in which a man, tiredly lowering himself into his chair, is galvanized into contortions by the cry, "Daddy, you're sitting on my paints!"

A den should have plenty of wall space. Remember, the wife has decorated the rest of the house with Flemish prints and gilt mirrors, leaving precious little room for mounted fish and pictures of college football teams.

A den should be as sacred as a bird sanctuary. Invaders should get the limit. For, in truth, without a den or place of refuge, a man can achieve neither tranquility nor greatness. Jefferson wrote the Declaration of Independence in a quiet rooming house in Philadelphia. The soaring ideas that went into it evolved during hours of reading and contemplation in a secluded library. Had it been a study-TV-guest-family room, the United States might still be a colony.

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*Recruiting officer: "Got any scars on you?"*  
*Recruit: "No, but I can give you a cigarette."*



## Sylvania Management Club of Buffalo, N. Y.

# Management Team of the Month

OUR SYLVANIA Management Club of Buffalo, N. Y., recognizes that the greatest opportunity of a member of management is in his exercise of initiative on the job.

For that reason, our No. 1 project since the beginning of 1956 has been continuing emphasis on a "Profit Improvement Program" for members of our Management Club. Current PIP achievements by members are publicized within our management organization, and Management Club meeting reports emphasize the importance of the participation of every member.

Through the efforts of our NMA group, which closely adheres to the principles of management development and management unity, every member of our Club has demonstrated his enthusiasm for improving our Buffalo division's efficiency by closer observance of his individual responsibilities as a manager.

During 1956, our Club awarded 23 "Meritorious Recognition" certificates to members who made contributions to the PIP program which

directly led to outstanding improvements in a more efficient operation of our Buffalo division. That was almost 16 per cent of our entire membership. Recognition of the achievement was entered on the personnel records of the members.

The 23 honor men contributed a total of 42 PIP recommendations which accounted for \$191,673.64 savings in the division's operations for 1956. The savings are continuing to mount.

Of the 23 Management Club members, honored, Harold Shapiro led the group with four PIP recommendations accounting for over \$40,000 in savings. Nicholas Vetrano turned in two recommendations causing savings of over \$25,000. Frank Wilkins and Carl Sollami each turned in one suggestion which saved the division a total of \$37,500.

Salvatore Ferrantini had six PIP proposals which saved over \$17,000, and, Edmund Koval proposed five changes in operation which brought about \$16,472 in operational savings.

Our NMA club believes whole-heartedly that the first responsibility of the management man is to manage in the best interests of his company. Every member is showing his understanding of this obligation, which actually is a challenging opportunity for the professional manager, by making every effort to manage his department in the most profitable manner. This attitude not only is paying off in better operations, but is helping keep our company in a more competitive position of doing business.

We are proud of the job we are able to do as a "management team" to make every Sylvania employee's job more secure by helping keep Sylvania a leader in the field of electronic equipment manufacturing. This fact is reflected in high employee morale.

I respectfully submit this report for consideration as a "Management Team of the Month" award.

*Frank Wilkins, President, Anton Neuburger, Secretary, Sylvania Management Club, Buffalo, N. Y.*



Last in a series: The Supervisor in History.



## VI---*Industrial Revolution*

by Henry John Colyton

YOU MAY HAVE HEARD that we had a little trouble here during the past summer." Thaddeus Gilby glanced up at the new works manager. His sallow face showed no expression.

"Indeed, yes; I have heard something." Eli Evans stood before his new employer, easy and erect. Gilby liked the looks of him; his rough working clothes were neat and clean, his color healthy, his brown hair smartly cropped. A slight sing-song intonation, a stressing of his d's and t's showed his Welsh origin.

"It was a painful time for me. We had already had a busy season, and hadn't caught up with our orders—and they put down their tools."

"And what was the trouble, sir?"

"They don't understand that with this expensive new machinery to pay for, I had to lower wages. But even so, they're as well paid as any shoe factory hands in the state. I pay our cutters and stitchers \$1.00 a day; the binders, all women, get \$.75. Children, \$.50. It was one of our best men, too, Haycroft, who caught the moral degradation from some source—I heard he read atheistical books. They had the effrontery to stop work to compel me to raise their pay! And I hear mutterings even now, for this 10-hour day nonsense. I don't know what the world is coming to."

Eli's bright hazel eyes flickered; then his long lashes came down demurely.

"I am to have a free hand with the workmen and the machinery?" he asked. "After all, I know the new stitchers very well, indeed; I must train the workmen to operate them."

The shoe manufacturer hesitated. "That is true," he said. "Of course you must have a free hand. Turn out the shoes on schedule and in proper quantity, keep the workmen and women in order, and I'll not interfere. Only two things, then, Evans—"

He paused impressively. "Sir?" Eli was all interest.

"Firstly; do you drink or read atheistical books? Are you a church member?"

"I do not drink," answered Eli promptly, "nor use tobacco in any form. I am a Christian; I hope for salvation. I am a member of the Antediluvian Baptist church."

Gilby's eyes looked puzzled, but he nodded. "I'm glad to hear it. Well, then. Here is the blacklist. These are the men who were the leaders in the strike this summer; they are not to be hired."

"I understand. Then I'll say good-by to you, Mr. Gilby, and go to the works at once."

Outside, the chill of early autumn was in the air. The New Hampshire hills blue and remote, roused in the Welshman faint recollections of his native land. But there was no time to give to memory. Eli Evans had problems.

He had been hired, when Gilby bought the new stitching machines, to manage this small boot and shoe factory. There had been a works manager before him, but he was dead. All Eli had been able to learn about him was that he "drank," as Gilby had expressed it, with a lowering of the eyes. And it had been Evans' experience that when a man tipped to excess, there was a reason.

He knew he would inherit the errors of the dead man, and make some of his own besides. He was not surprised to hear about the troubles with the workmen. Strikes and protest meetings had erupted over New England like a plague that year. Leaders had been jailed, wages had been cut, blacklists were active, and the ten-hour day nonsense had been summarily dealt with. But Gilby's uneasiness was shared, he knew, by many New England manufacturers, who were echoing his cry of "I don't know what the world is coming to!"

Smoke was pouring from the factory chimneys. The drab brick buildings seemed to shake with the vibrations of the engines. Eli walked in quietly, turned the key Gilby had given him, and entered the works manager's office. It contained a table, a broken-legged chair, a filthy spittoon and an assortment of empty bottles.

Eli shook his head. He took off his coat, rolled up his shirt sleeves, and put a cloth cap over his cropped curls.

He had encountered the people in the works the previous day. They were ready for him. In the cutting room, the knives flashed on the table, and sidelong looks met his as he examined leather and patterns. He asked a few questions in his soft Welsh voice, looking, as he always did, for the bright eyes that showed brains. There were none. The eyes of the cutters were lack-luster and dull.

He went into the stitchery and bindery. Here were the machines that he knew well; bright and new, they were pecking at the leather patterns. Here the workers were women. Pallid, dirty-faced, their patched and faded dresses hung around their heels like bedraggled feathers. He observed that they shrank away from him. The only pair of bright eyes here blazed from the thin face of a redhaired girl stitcher. Eli asked her a few questions; she answered brusquely and briefly.

"With this stitcher, you must be careful to drive it, and not to let it drive you," Eli cautioned. "Better a well-stitched shoe than two badly stitched ones and hurt hands."

"Think old Gilby'd agree with you, Mister?" Above the throbbing of the stitcher the girl's voice rose, sharp with contempt.

"It was this summer that he told the men who came and begged him not to cut wages, 'The men who work for me are like the machines I use; They are to be used for my advantage, and when they are of no further use I cast them out.' Those are his words, Mister. We workmen don't cost him as much as the machinery; we aren't expected to last as long. What are our hurt hands to him?"

Eli looked at her. "Master the machine, do not let it master you," he repeated. "The works are in my charge. I am here to make good boots and shoes. I will help you if I can."

"Ah, you're a foreman, and they're all alike, and the curse of Cromwell on the pack of you," muttered the girl.

• • •

**G**ILBY NOW AND AGAIN spoke of new brooms during the pleasant fall weeks. Eli Evans was everywhere. He set up a system of supply accounts—leather and findings were strictly regulated. He showed a new vamp design which made a more attractive boot model for the same cost. He suggested that a side line of cheap belts be added to make use of scrap. He kept the new machinery in good order. Gilby could find no fault; it looked as if his business was in good hands. He made a substantial donation to foreign missions.

"No trouble with the workmen, Evans? Well, I hope they've come to their senses at last."

Eli shook his head. "There is no trouble," he said, "but I would ask, Mr. Gilby, that you think about two things."

Alert, Gilby bent forward. The pale daylight came through the rich velvet curtains of his study and touched his pallid face. "What are they?"

"First, there are the children. I know we can get them cheaply, but they lack the skill and strength needed to make a good product. They sew on the buttons of the ladies' shoes and do not do it properly. My time and much material is wasted. I would suggest that the children's tasks be given to more women. That is the first thing. Then, for the second—the days grow shorter. Soon the dark will come early. I would prefer to close the works at an earlier hour. Good work cannot be done by bad light. And the lanterns we use are dangerous things, no matter how carefully they are handled. Fire would cause loss."

Gilby stared. A frown gathered between his brows. "Why, what would become of the children if they were allowed to waste their time in idleness?" he demanded. "They must learn to live useful lives. They would play on the streets and Satan, you know, finds mischief for idle hands to do."

"You are right. They should go to school," nodded Eli.

"As for closing the works earlier, you know what that would mean, man—the ten-hour day these rascals have demanded!"

"It may be so," shrugged Eli. "I am not concerned with what they want—I am concerned with well-made boots and shoes. I cannot turn out good boots and shoes except with grown workers and in a proper light."

"You must do the best you can—what you ask is impossible," retorted Gilby. "The machinery must work 12 hours a day to pay for itself."

"I asked you only to think about it," persisted Eli. "Two things only I understand,—good boots and shoes and the machines that make them." "I believe you, Evans. But of course you don't understand my problems."

He stood up and took a turn on the richly colored Turkey carpet. "I shall never forget the way those rascals spoke to me last summer—especially that man Haycroft—you have him in the blacklist. One would think I was a murderer, a criminal, instead of a professing Christian—and, if I may say so, one of the most respected citizens in this area. I am a rich man, Evans, because my father and grandfather were hard working and prudent men; I have followed their footsteps. These rogues are poor because they are idle and vicious. They spend their money on the grogshops. They will not practice thrift and sobriety. It is right that vice and virtue should have different rewards."

Eli forced his betraying eyes upon the carpet, bowed respectfully and took his leave.

• • •

ELI HAD SELECTED his boarding house because one Morgan Jones lived there, and his widowed daughter did the cooking. She made wonderful apple pudding, in real Welsh style, and Morgan, crippled with rheumatism, spent his days in a chair by the window, watching the town and yearning for a word or two in the tongue of his youth. And Eli found the old man a fine guide, with whom he could chat as long as he liked without fear of being overheard. The following Sunday morning, he came downstairs, neat as usual.

"Here is a fine day, Morgan," he greeted his landlord, "Where can I find the house of a man called Haycroft?"

Morgan's eyes glowed. "He is on the blacklist," he muttered.

"I know that. I hear he was a good cutter."

"So he was. But Gilby has no more use for him, no more than he has for me, after the cold and damp of the factory bent my bones."

Evans strolled along in the crisp air. He did not walk furtively, but he did avoid the main streets, where the sound of tuneless hymns coming out of the prim white churches might offend his sensitive Welsh ears. Presently he found himself walking up a rutted lane. At its end was a crumbling log cabin, and outside the door, a lean man, in the autumn sunlight, was bending over a washtub. As Eli approached, the man looked up. His eyes, glowing deep in their sockets, regarded the intruder with suspicion.

"Good morning. Your name is Haycroft," said Eli. "I am Eli Evans, the works manager."

"Get the hell out of here," snarled the cutter, wiping the soap from his hands. "I've done with Gilby and he with me."

"I am not Gilby," Eli answered. "I am works manager and I need good men."

"I'm on the blacklist."

"Your name is there, yes," Eli answered reflectively. "Now I have a cousin, Henry Hughes. He is a good cutter. I have a job for him in the factory. But he is not here. Perhaps you could come and hold the job for him until he comes, if ever he comes. His name would be on the payroll."

A long look was exchanged. Haycroft suddenly staggered against the side of the house.

"Evans," he said, "I have walked the streets from dawn to dark hunting for work, after the blacklist had my name on it. I went crawling back to the works at last and begged the foreman to take me back. A man loses his

starch when his wife is sick and the children hungry. The foreman was drunk—he kicked me from the door. I'm taking in washing now, just to get a little food. And I'm working on the Sabbath, so now I will have the name of an atheist as well as a drunkard. I have never touched a drop of whiskey in my life, or used tobacco. I have worked since I was five years old. And this is my life . . . Sir, if I understand you you are offering me work . . ." He choked; his bony hand went to his throat.

"On no account let it be known that I told you to be Henry Hughes. If the men think I am deceived, they will keep your secret. I tell you, I am not speaking to you in charity, but because I need you—my work is to make good boots and shoes, and I need help. Good day to you, Hughes. I suggest you do not shave."

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**T**HE FACTORY HANDS had a hard time trying to figure out the manager. He didn't appear to give any heed to the winks and furtive handclasps that welcomed "Henry Hughes" to the cutting room. Yet he seemed to sense that trouble was going to break out between two cutters clear from the stitching room, and dashed in between the slashing knives to knock their two heads together and toss them out of doors. He bothered the bookkeeping department with constant prying into the leather bills; it turned out that one of the clerks had made an "arrangement" with the tanner. It was all very embarrassing to the chief bookkeeper, and the guilty clerk shook in his shoes under a spate of Welsh bad language before he was summarily fired. Yet when the cold weather set in, and the chief stitching woman, the red-haired girl who had invoked the curse of Cromwell on him, collapsed by her machine, Eli carried her home in the middle of a working day, while the blood from her broken lungs stained his shirt. And he imposed no fine for her lost time.

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**H**OW THE FIRE BROKE OUT in the Gilby works, no one was exactly sure afterwards. The most credited story was that a boot-heel flew up and broke a lantern. Whatever the source, the fire grew and spread with fearful quickness on a windy evening. It had been a dry autumn.

Eli Evans, although shocked and afraid, had not been caught entirely unprepared. His soft Welsh voice became a bellow as he gave orders. One squad of cutters and leatherworkers to get out the women and children stitchers and binders on the second floor; the others to dive into the smoke and get the stitching machines out. This squad he led.

Outside, crowds began to gather. The screaming women and wailing children were brought out and taken away. Just as the men staggered out with

the stitching machines, the rattle of wheels sounded above the roar of the flames.

"It's old Gilby in his buggy!" yelled somebody, and a roar of pent-up hate broke out.

"Toss him into the factory and give him a quick trip to hell!"

"All hands!" roared Eli. "To the shipping room—get out that last bunch of boots—we'll make a bucket brigade!"

"Let the damn hole burn!" shouted a cutter, "why should we risk our necks to save old Gilby's dollars?"

"Damned fool!" Eli, eyebrows singed off, face black as a Negro's, flashed a white grin, "Never mind that—it's your family's food this winter that you must save!"

He waited half a heart-beat for this to sink in—then led the rush of men to the shipping room. A pump handle began to squawk loudly. When the bystanders saw the orderly progress of the bucket brigade, they turned to with a will. Every house had its own fire buckets; soon other lines of shirt-sleeved fire-fighters had formed, passing buckets down the line. The works manager was on the roof of the cutting house, that had caught a spark or two. "Hughes," his face unrecognizably black, stood on a ladder passing him the buckets.

In his chaise, Gilby, grim-faced, watched the destruction. Beside him stood the head bookkeeper, wringing his hands. "There goes the stitching loft!" he wailed, as the roof fell in. "And those boots will be ruined with the water—."

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**W**ITH THE MACHINERY SAFE, we can set up a workshop somewhere," Gilby replied, "That was smart work. Even the boots may be tallowed and salvaged."

And that was the proposition made him next morning by the works manager, red-eyed and weary, one hand heavily bandaged and a smell of smoke about him in spite of his clean clothes.

"The machines can be set up in Durham's feed storage loft," he said, "It's empty and Durham will be glad of the rent. The machines are unharmed and the boots we used can be tallowed good as new. We have lost leather and findings—the hands can work on the boots until we get a new supply."

"Excellent, Evans," nodded Gilby. "I'm much obliged for your good services. I'll lay off some hands—."

For the first time he met the full blaze of Evans' eyes.

"Then you'll get yourself a new works manager, sir. Those men, whose

wages you cut to starvation, worked like dogs for you last night, to save your property. I will not be shamed through you. I have at home now an offer of a job at Fall River. Without me, you will lose far more money here than you will gain by firing the men who saved your property. And I say to you I will go at once unless you let me have my way here!"

Gilby stared. "What do you want?" he said at last, thinking of lost orders, angry customers and the undoubted value to him of Eli Evans.

"I want no more fires," Evans held up his bandaged hand. "The works will open at seven and close at five. And I must have the men I need to get the work out, blacklist or no blacklist."

Gilby's lean face contracted as if it had been slapped. "But that means—" he gulped, "I cannot tolerate—"

"In Fall River I have been offered \$20 a week," said Evans, "I can show you the letter. You know me and my work. Is it worth your while to keep me, or will you hire a cheaper man, lay off the workers and let the orders go?"

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**I**N LATER YEARS, Thaddeus Gilby often announced with pride and satisfaction, "My factory was among the first in New England to inaugurate the 10-hour day."



**"We could save a little on our automobile insurance if you'd admit being over twenty-five!"**

## BUSINESS NOTEBOOK



by WILLIAM M. FREEMAN

**R**EMEMBER? You don't? Well, lots of others can't remember, either. Don't worry about it. Just forget it. However, if you *can* remember—dates, names, places, amounts, addresses, birthdays, faces, relationships—you can do yourself a lot of good in every aspect of life.

It isn't as difficult as it seems. Can you count? Can you remember the alphabet? Then you can memorize whatever you want to, just by the simple expedient of hooking the numbers to the equivalent alphabet letter and, in turn, to the specific thing to be remembered.

For example, you want to remember the names of 26 men newly assigned to your department, and they don't happen to be named in neat alphabetical order—Adams, Brown, Carlson, Daniels, Edwards, Fitzpatrick and so on. The first one you meet happens to be John Smith. Concentrate for a moment on Captain John Smith marrying Pocahontas, and that it is the *first* marriage for each. Next is Tom Clayton. Concentrate for a quick minute on Tom, *second* man to Captain Smith as his best man and giving him a ton of clay as a wedding present. Third on the list is Harry Brown. Think briefly of a

brown-skinned man at sea (the letter "C"), harried by the angry ocean.

Keep this up for the entire group. Then, when you see the first man you met, you remember "first marriage", then "Pocahontas" and "John Smith." All you need to retain is a link between his features and No. 1, and the rest will flow naturally.

While this can be—

### A VALUABLE ASSET

—In business as well as social life (and also save trouble with the in-laws) it is a purely mechanical and easy-to-acquire ability. A rather more important acquisition is the ability to read quickly without reducing comprehension. This can be done, too, without very much trouble.

In essence, the process consists of looking not at each word or phrase in order and going on to the next, but of looking at a whole line at a time. Instead of going from left to

right, making several fixations in the course of each line, then making a wasteful swing all the way back to the left, the eyes concentrate on the middle of each line, and make one jump per line, to the middle of the next line, sweeping down a whole page in a fraction of the former time. Don't worry about seeing the beginning and ending of each line. The eyes will take in the whole line when you look at the center.

Just to prove that—

### IT WORKS

—and without looking back, think for a moment of the third man you met, up above. The third man was represented by the third letter of the alphabet, "C", or "sea", and that meant something about a man in a boat harried by the waves. And, let's see, wasn't he a brown-skinned man? Sure! Harry Brown, that's it! Does it work? Memory and speed in taking in information can be important in—

### BUILDING A BUSINESS

—no matter what its type. Here's an example: Jules Alberti, as civilian coordinator of war bond celebrity appearances during World War II, got to know several thousand celebrities. Some he had known for years as a result of national tours at the head of his own orchestra. Many more he met in his Treasury Department work. He remembered their names and their faces, and after the war he saw the need for a liaison organization for advertisers and their

agencies to supply celebrities for testimonial advertising. Mr. Alberti formed Endorsements, Inc., and the concern fills a unique place in advertising. It was built by *memory*.

### WE'RE BETTER OFF

Personal income—the money we earn—is running at an annual rate of well over \$300 billions, as compared with \$85 billions in 1929, which was supposed to have been a good year. Of course, prices, taxes and the number of wage-earners have gone up quite a bit, but when you investigate what's behind the figures, reported by the Office of Business Economics of the Commerce Department, here's what you find:

After you allow for the higher prices, the increased taxes and the greater population (which cuts the actual income for each person), there is still an increase of about 50 per cent in actual spending power.

An example of how misleading the actual dollar figures for goods and services can be is to be seen in—

### BUYING A HOME

—nowadays, as compared with a generation ago. Prices averaged \$5,900 in 1925, as compared with \$12,500 in 1955. However, according to figures presented to a meeting of the American Institute of Real Estate Appraisers, when you convert the value of the 1925 dollar to the lower-priced 1955 dollar (we earn more dollars for the same work, which makes the dollar cheaper) the

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1925 house actually cost the buyer an extra \$2,200 in '55 currency.

And, further, the house of today has better heating, cooking, plumbing and other features. There are many who say all of this improved way of living is nothing but—

#### BORROWING

—from the future, with the cost increased by the interest charge. The answer to this seems to be that the use of consumer credit, the familiar installment plan purchase, has acted to broaden the market for "luxuries," the refrigerator, the toaster, the radio, the television set, the electric iron, and so on, all of which have become "necessities" and a commonplace in every home. The air-conditioner, usually bought on a time payment plan, is rapidly becoming a commonplace, too, as is a second television set, an extension telephone, even a backyard swimming pool of modest size, all bought piecemeal.

Our consumers, buying for cash or for credit, are on the lookout for—

#### SOMETHING NEW

—and American merchandisers are ready to supply the demand. The rise of convenience foods—frozen, packaged and ready for heating and serving—was sparked by the instant coffee powder, a product liked by many, even though there are diehards who insist on the original coffee bean or tea.

Now a quarter of American homes use the instant product, a

survey conducted for the Owens-Illinois Glass Company indicates. The reason seems to be that it takes less preparation and effort and supplies more for the money.

Here's what's about to happen: Brazil, big coffee producer and the source of grower complaints that the rise of instant coffee would hurt the country's economy, is making ready to start turning out the instant product, with Brazilian and American financing. San Salvador and Mexico are manufacturing the instant coffee, and the United States, the world's biggest consumer, wants it. So Brazil is falling into line.

It is all part of the onward-and-upward march. Just by way of proof that we're better off, there is talk now of—

#### THE TWO-HOME FAMILY

—as a natural consequence of the four-day week, blueprinted for the not-very-distant future. The Association of Highway Officials of the North Atlantic States was told at its annual convention of the two-car and three-car families that are becoming more numerous. With the improved highways, the better transportation and the increased leisure, plus the home that is easier to buy, many more families will have a week-day home and a week-end retreat.

All in all, the future looks rosy, providing the diplomats and the atom-bomb experiences cooperate.



# ACT on FACT

by James Black

**W**ILLIAM BOGARDUS (the name is fictional) was a man of principle. A pacifist when the Korean war broke out, he preferred prison to shouldering a gun. That's where he went, too. For a three-year stretch.

Like many another pacifist before him, Bogardus was aggressively militant when he encountered a person whose views ran counter to his own. He was the kind of fellow who wouldn't fight; not only that, he would punch anybody in the nose who tried to make him. This attitude extended beyond the issue of war and peace. It included everything—even order-taking. This last quirk in his character caused Bogardus to lock horns with his foreman. It happened like this.

### THE MILITANT PACIFIST

On his release from prison, William Bogardus returned to his job at a metal fabricating company where he was a material handler and all-around laborer. One day his firm was moving stored products to another location and Bogardus was one

of a crew helping to load the van. To perform the task efficiently the foreman had stationed his men at intervals of five and six feet so that they formed a sort of human chain linking the truck and the conveyor belt. The boxes (they weighed between ten and forty pounds) were taken from the conveyor belt and passed (or rather, thrown) from man to man until the truck was filled.

Everything went smoothly. For a while! Suddenly Bogardus tossed high and wide. The man working next to him hurt his hand.

"Throw the boxes right!" snapped the foreman.

"I am throwing them right," retorted Bogardus.

"Look," said the foreman, "you're either going to pay attention to

your work or I'm taking you out of the line."

"You are a blankety, blank, blank, blank and then some," snarled Bogardus.

You can use your imagination to fill in the blanks. But from what the foreman said afterward there were some fairly colorful descriptive adjectives preceding the noun that identified him in the sentence. He didn't think they were accurate.

"Would you mind repeating what you said?" he inquired.

"Happy to," said Bogardus. He did and with some added embellishments that considerably improved on the original version.

"You're fired," said the foreman, and went off to tell the plant superintendent what had happened.

Bogardus met this situation with a somewhat unusual piece of strategy. He refused to be fired. Calmly keeping his place in the line, he went right on passing boxes. It took the combined efforts of the superintendent and the foreman to get him off the property. Even then he refused to consider his dismissal final. A grievance was filed. It went to arbitration.

#### ARGUMENT OVER A FIRING

The company claimed that Bogardus's angry exchange of words with his boss constituted a refusal to carry out a reasonable order. It added that the employee had also violated plant rules against "horseplay," "throwing things" and "caus-

ing confusion by shouting and demonstrating during working hours or on company property." The penalty for this," said management, "is discharge."

The union argued that the company had not proved Bogardus used profanity. What's more, claimed the union, even if he had sworn a little bit, the offense warranted no more than a brief suspension. The use of obscene or highly seasoned language was common among the group of which Bogardus was a member, the union pointed out. So why discriminate against an employee for doing something the foreman frequently did himself? As for the company's kick about Bogardus's "throwing things," so was everybody else. And under management supervision, too. Finally, concluded the union, Bogardus *did* take instruction. He continued to work after he had been given the reprimand, even after he had been fired. And he did this to protect himself from the charge of refusing to obey orders. Evidently the paradox of this last claim was missed entirely by the labor organization. How could a man continue on his job to prove he was willing to obey orders when he had refused to carry out the orders to "get off" that job? At most, Bogardus demonstrated that he was willing to obey *some* orders.

#### WHEN IS BAD LANGUAGE BAD?

Bogardus also used bad language,

the company claimed. Had he? Semantics are a tricky business. The word "bloody" would lift no eyebrows in America, but it would horrify a well-bred Englishman. Similarly, what is obscenely profane on the lips of a clerk or a stenographer may simply be every day banter among longshoremen or fishwives. This is no apology for the use of foul words. It is simply a recognition of reality.

If you are foreman in charge of a rough and ready gang of mule-skinners with whom swearing is the rule, and rather indelicate personal references are freely passed back and forth with no hard feelings, you can't very well crack down on an employee if he says something to you in anger that you would have accepted had it been offered in a friendly spirit. You may recall the celebrated instance in Owen Wister's novel, "The Virginian," when the hero, a top gun in western circles, was called a name that reflected on his maternal ancestry. "When you call me that, smile," was his tight-lipped advice to the offender, as his right hand twitched at his gun belt.

A foreman, however, is not so fortunate. If purple language punctuated by personal characterizations is the order of the day with the crew he directs, he may have to prove that the employee did *not* smile when he called him a "so-and-so" if he wants to get anywhere with an arbitrator. This may be difficult to do, par-

ticularly if witnesses tell conflicting stories.

#### NO AGREEMENT AMONG WITNESSES

That's exactly what happened when the Bogardus case came before an arbitrator. Three witnesses backed the foreman's claim that bad language had been used. Then Bogardus's team came to bat. In the matter of witnesses management may have gotten there "fustest." But Bogardus had the "mostest." He produced six fellow employees who swore up and down and on oath that they had heard no profanity; that all had been as serene as a Sunday school picnic. Were they telling the truth? Personally, you may doubt it, but how could you tag them out with their lie?

Maybe sheer force of numbers convinced the arbitrator. Bogardus had a 2-to-1 numerical advantage over the company in witnesses. In any event, the arbitrator said, "The preponderance of the evidence of the witnesses indicates that Bogardus did not shout or demonstrate." He added that the employee had not disobeyed orders, either. "Bogardus continued to work during the verbal exchange, and even after the foreman told him he was fired. In fact, he was still in the line and still functioning when the supervisor returned with the plant superintendent. It appears, therefore, that he was not guilty of failing to carry out orders on interfering with plant efficiency."

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## A CURIOUS CONCLUSION

How the arbitrator rationalized Bogardus's refusal "to be fired" as a sign that he was willing to "obey orders" the report on this case does not say. But that's what makes arbitration such a fascinating business. Regardless of the facts of the matter, you can never be certain of the outcome.

Certainly the conclusion of this arbitrator is curious. From his own account of the evidence it is clear that the employee refused to obey at least one order—he would not let his boss terminate him. So this ruling, if carried to a logical conclusion, would mean that an employee, regardless of his attitude, could not be dismissed for insubordination so long as he continued to work. This idea, on the face of it, is ridiculous.

The arbitrator also remarked that the unaccustomed and perhaps dangerous method of loading the truck by tossing 40 lb. boxes from one man to another had probably caused tensions which made tempers flare. He noted, too, that Bogardus had just been released from prison, where he had served a three-year sentence as a conscientious objector, and was undoubtedly going through a period of psychological adjustment. Prior to the argument, observed the arbitrator, Bogardus and the foreman had been very good friends. And then he made a point on which the whole case hinged. He blamed the

company's policy of permitting foremen to fire in anger for the trouble that had occurred.

"Very generally these days," he said, "companies permit foremen to report incidents and to recommend action, but they reserve the authority to discharge to higher management, which can act upon investigation after tempers have cooled. Bogardus was a good worker with a fine record. Discharge is too severe a penalty for a first offense. Nearly all arbitrators require a warning and a chance to correct behavior where the employee's record is as good as it was in this case."

There are many points in this decision that are open to argument. If Bogardus believed he was being unfairly treated he had the right to file a grievance, not to disobey his foreman and remain on the job after he had been told to quit. The arbitrator's comment on the foreman's "right to fire" is far from being accurate. At the majority of companies a foreman can suspend an employee immediately, and this suspension can become a dismissal if the facts of the case justify that decision. This means that the average foreman has considerably more authority in employee relations than just the "right to report incidents" to higher management.

The arbitrator was correct in stating that an employee is usually warned about an unsatisfactory performance at least once before he is

terminated. But even here he greatly overstated his point.

The notion of the arbitrator that Bogardus was a neurotic and deserved sympathy rather than shock treatment may have convinced a panel of social workers, but there are many who still question industry's responsibility in mental therapy and who believe that Freud is too much with us night and day. Despite the mechanized humanism so popular at present, business is still business, and foremen are not always equipped to undertake the therapeutic rehabilitation of recently-released boobies or "mixed-up" neurotics.

Finally, one statement of the arbitrator indicates that he had a strange conception of his function. He stated, "Most arbitrators require a warning and a chance to correct behavior where an employee's record is a good one." Under a proper contract an arbitrator can require nothing. His job is simply to interpret the agreement. His decision cannot alter it, add to it, or subtract from it. If the contract says that the penalty for a certain act is dismissal and the company has enforced this clause consistently, then the arbitrator cannot "require" anything. He can only hear the case and decide whether or not the employee is guilty of the charge. If the employee is guilty and there are no extenuating circumstances such as company failure to enforce the provisions applicable to the situation consistently in the past, the arbit-

rator has no other course but to sustain the management position.

#### A MIXED-UP CASE

This was a sadly mixed up case. The company had a rule against "throwing things." Yet apparently everybody was "throwing things" and doing so on the instruction of the supervisor. The employee was something of a case himself, and the supervisor made a number of mistakes in handling him. First he resorted to spontaneous discipline and in the heat of anger. He would have been wiser to have suspended the man and decided what his punishment should be after calm reflection and consultation with his superiors. On this point the arbitrator was right.

What's more, there was evidently no attempt on the part of the foreman to investigate the matter and assemble facts. If he and his boss wanted to make the discharge stick, the time to line up their witnesses was at the time of the incident. Chances are affidavits could have been secured then from all concerned as to the facts of the case. This would have been an indication to management of what the testimony would be, should the case be taken to an arbitrator. It might even have persuaded the company to apply a less severe penalty to Bogardus.

This case was selected because it illustrates a most important principle of sound supervisory manage-

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ment. Foremen must be trained how to manage people. Bogardus was evidently a surly, hot-tempered employee. Perhaps he deserved dismissal. And while the arbitrator had the right to make the decision that he did, there are certainly good grounds on which to question some of his reasoning. But with this we are not concerned.

What did the supervisor do? One mistake he made, and it violates an elementary principle of personnel

administration. He fired Bogardus publicly and in front of his colleagues. This shows lack of training. No foreman should permit himself to be trapped into an open hassle with a subordinate before other people to the point where he administers spontaneous discipline. Had Bogardus's supervisor simply told him he was suspended and that he should report to the superintendent, an unpleasant incident might have been avoided.

*This case is based on one described in the LABOR RELATIONS REPORTER. The incident has been altered somewhat to illustrate a principle of supervisory management.*



"Oh well, what's the use!..."

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# How WOULD YOU HAVE SOLVED THIS?

by Lloyd P. Brenberg

NOTE: To be considered for \$10 cash awards and certificates of special citation, all solutions to the problem must be post-marked no later than SEPTEMBER 10, 1957. Address your solutions of no more than 500 words to Editor, MANAGE, 321 West First Street, Dayton 2, Ohio.

#### PROBLEM No. 18

#### TWO DOUBLES OR NOTHING?

Sam and Ely, second shift press room foremen of the XYZ Company, were seated in Ely's office discussing a mutual problem when Sam noticed one of Ely's men walk out the rear exit of the plant. After their discussion Sam said to Ely that he had noticed old Burt duck out about the same time every night. "Where does he go?" asked Sam. "Down to the corner to get his two double shots," Ely casually answered. Sam was completely taken aback and told Ely he couldn't understand why Ely could permit such action. "Let's put it this way," Ely answered. "If I didn't let him go he would punch out and leave for the night. Old Burt is the best man I've got. Oh, sure I've talked to him, but his answer is he needs the boost and that it isn't enough to affect his work. I still don't want to go along with him, but what can I do?"

Sam made several suggestions but Ely insisted that Burt was essential to the successful operation of the department. What suggestions would you make to Ely?

*(Remember the deadline: September 10, 1957)*

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## THIS WAS SUPERVISORY

## PROBLEM No. 15

There are some who arrive from "the old school," and who refuse to accept new ideas. Shipping and Receiving at the See-Saw Inc., was under the supervision of Harry Noe, considered by many as the originator of the "old school." One day, not too long ago, Harry was finishing the day's report when he noticed an unnatural quiet descend over the work area. Glancing up, he observed that two of the men—loaned him on a temporary transfer—were holding forth in lengthy conversation. Harry literally charged from the office and proceeded to deliver a blistering lecture to the two men. In doing so, Harry was not too careful with his choice of words, and at times lapsed into profanity. When he had finished the men asked for representation so that a grievance could be filed. In essence, the grievance stated that Harry had used abusive and threatening language and was a menace to the work force. It also stated that a formal request was being made to remove Harry from his position on these grounds. How would you answer this grievance?

## THE WINNERS

Here are the best solutions to the supervisory problem No. 15. The winners have received checks for \$10 each and a handsome two-color Merit Award certificate suitable for framing.

## PERSONAL APOLOGY

By *Vincent Walsh, Grand Haven, Mich.*

The removal of Harry from his position would accomplish nothing, except to satiate the egos of the men who filed the grievance.

Both parties, Harry and the men involved, were guilty of misconduct. Harry, by his abusive language and manner and in not investigating the causes for the conversation, as the men were transferred to his department temporarily and the work may have been new to them. The men, by their attitude toward their job.

The context of the conversation was not mentioned in the grievance to indicate if the conversation had anything to do with their job. The grievance was filed basically to cover the mens' breach of discipline.

Professor Brenberger, who writes the problem for "How Would You Have Solved This?" and judges the entries of contestants, is head of the Department of Industrial Engineering of the University of Dayton. He is a graduate of the General Motors Institute and has had wide experience in industrial relations and engineering. In recent years he served as a project supervisor for a secret Air Force and Navy research program. He spends part of his free time conducting a specialized management development training course, which he organized for Air Force reserve officers.

Harry owes the men a personal apology for his speech and manner. The men should be reprimanded for their job attitude in assuming they could take it easy because they were transferred temporarily. This job interest should cover the entire company and not just departmental interest.

A recommendation is in order. Harry's superiors should consult him about his attitude toward his men and his emotional control. Also they should suggest that Harry take a course in factory executive management to open his mind and to teach him the proper techniques in handling personnel and its related problems, as the days of his type of leadership are past.

#### FULL REVIEW

By Eugene E. La May, M/Sgt. USAF  
Bolling Air Force Base, D. C.

In the first place it reflects poor management to have a man like Harry in a supervisory position knowing he is this type of individual and does not accept new ideas.

In the second place, the two men loaned to him had to be somewhat wrong to provoke their superior into such an outburst.

I would answer this grievance by stating that upon further inquiry into the matter an interview will take place and be conducted on such and such a date at a certain hour, with all concerned present, so as the matter may be satisfactorily resolved as soon as possible for all involved.

At the time of the interview, with all concerned present, the management should show where both parties were at fault, the two "on loan" men for lengthy con-

versation in the work area, even though on temporary transfer, and Harry for the use of his abusive language . . . I would then return the men to their proper place of work and at a later date further indicate to Harry that his inability to be receptive of new ideas, and "Old School" methods of disciplinary action could lead to him losing his supervisory capacity.

#### NO SURRENDER

By Kenneth E. King, Lockheed Aircraft, Burbank, Calif.

Harry Noe would retain his supervisory position. If management allows employees to demand transfer or dismissal of a supervisor, they have surrendered the right to manage. Once a precedent allowing this was established, every supervisor would be subject to real or fancied grounds for dismissal by his employees. Such a policy could result in management based on popularity polls conducted by the workers.

Harry was within his rights to lecture or even threaten disciplinary action for failure to maintain a normal work rate. Men that are new to a department frequently require an explanation of its basic work regulations. Harry's choice of language was regrettable but would hardly constitute "Menacing the work force." His immediate supervision should have a talk with him to the effect that the "Old School" is passing away. His employees have the right to expect courteous . . . treatment. This interview for Harry should have a follow-up to see that he complies. Such a change would soon be evident to the work force, but without management surrendering its right to manage.

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\* WHERE IS EVERYBODY?

\*\* THEY'RE OFF TO THE 34th ANNUAL MEETING  
AND NATIONAL CONFERENCE OF THE N M A !!!  
IT'S ON OCTOBER 25-26 IN PITTSBURGH  
AT THE PENN-SHERATON HOTEL...ARE YOU GOING?

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